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TODAY: HEALTH SCIENCE The Space Cycle, Page 11.

Korean Executives Lash Out at France Over Thomson

Hinting at Effects on Trade, Group Demands Paris 'Redress Matter'

By Donald Kirk
Special to the Herald Tribune

SEOUL — The leaders of South Korea's biggest conglomerates banded together Wednesday to attack France for backing out of a deal to sell Thomson Multimedia, a state-owned electronics company, to Daewoo Electronics, hinting there would be repercussions for French businesses.

A protest letter to the French ambassador in Seoul from the Federation of Korean Industries demanded "appropriate steps" by the French government to "redress the matter."

The letter indicated possible effects on trade relations. "Until now the relationship between the private sectors of Korea and France has been undergoing a 'golden age' of cooperation and prosperity, exemplified by TGV and other major projects," the letter said, referring to the high-speed Train a Grande Vitesse.

Separately, a top executive of Daewoo Electronics blasted the French decision to block the company's purchase of Thomson Multimedia as "subjective, unfair and even discriminatory."

Together, the denunciations were among the harshest public attacks on France's decision to postpone the sale of Thomson to Lagardere, which would have passed Thomson Multimedia to Daewoo.

In an abrupt about-face and under domestic political pressure, France canceled the sale after its privatization commission objected to the provision that would have ceded control of the consumer-appliance maker to the South Korean company.

The steering committee of the Federation of Korean Industries, after waiting a week, authorized the protest letter.

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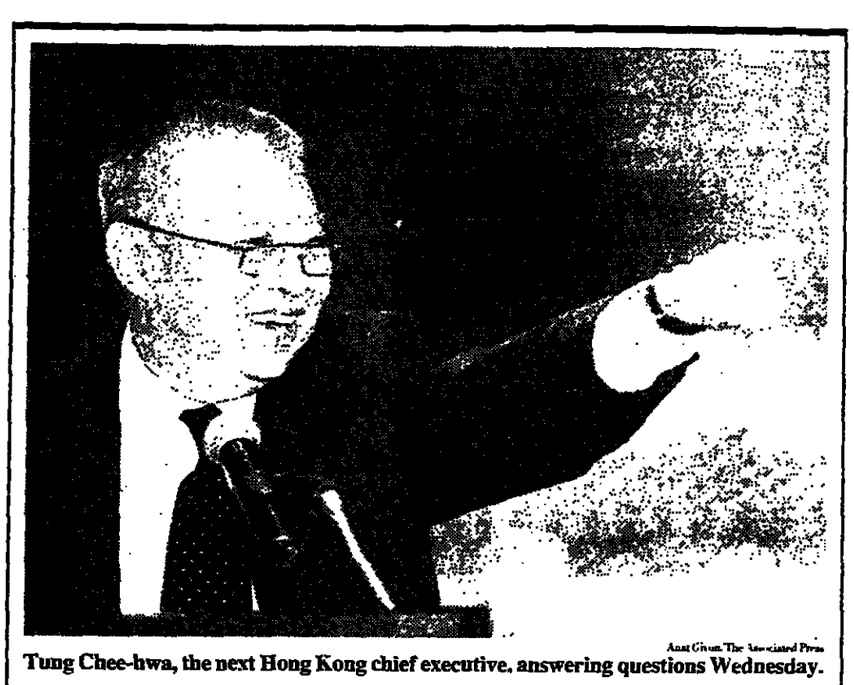
France Will Split Thomson

Reuters

PARIS — The French government said Wednesday that it would sell Thomson SA in two separate parts, starting with the defense contracting unit Thomson-CSF in early 1997.

Thomson Multimedia, the consumer electronics arm, will have to be recapitalized before it can be sold, the Finance Ministry said in a statement.

The government abandoned a plan last week to sell all of Thomson SA after its Privatization Commission objected to an offer from Lagardere group, which wanted to spin off Thomson Multimedia to South Korea's Daewoo Electronics.



Anat Givon/The Associated Press

Tung Chee-hwa, the next Hong Kong chief executive, answering questions Wednesday.

Hong Kong's New Helmsman

Protesters Denounce Choice as Stage-Managed by China

By Keith B. Richburg
Washington Post Service

HONG KONG — After a lengthy selection process fraught with communist characteristics, a handpicked elite of pro-China executives and professionals on Wednesday named Tung Chee-hwa, a conservative shipping tycoon who advocates stability over expanded democracy, to be the chief administrator for this colony after Beijing formally assumes control next year.

Pro-democracy advocates in Hong Kong immediately denounced the stage-managed selection as a charade, saying the choice had actually been made long ago by Chinese Communist Party leaders in Beijing.

Still, Martin Lee, the chairman of the colony's popular Democratic Party, promised to give Mr. Tung "a honeymoon, on probation," if he demonstrated more willingness to stand up to China in defense of Hong Kong's freedoms and way of life.

While protesters scuffled with the police in the street and burned a coffin signifying the death of democracy, 400 of Hong Kong's wealthiest and most influential residents arrived in chauffeur-driven luxury automobiles at a convention center hall decked out with a huge red curtain backdrop, making a scene reminiscent of the Communist Party plenums at Beijing's Great Hall of the People.

After the delegates marked their ballots in secret and deposited them in sealed envelopes inside a box, each of the votes was read aloud and women kept a running tally on three large boards — an effort to add an element of suspense, even transparency, to a process that many think was pre-ordained since January, when President Jiang Zemin of China singled out Mr. Tung for a warm personal handshake during a meeting of Hong Kong advisers in Beijing.

Mr. Tung received 320 votes to just 42 for his

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Moscow to Discuss NATO Partnership

It Reiterates Strong 'Dislike' Of Alliance Growth Eastward

By William Drozdiak
Washington Post Service

BRUSSELS — Foreign Minister Yevgeni Primakov of Russia accepted NATO's offer Wednesday to open negotiations on a charter that would serve as the basis of a new partnership in the post-Cold War era between Moscow and the Western military alliance it has long feared.

But Mr. Primakov also reaffirmed his country's staunch opposition to NATO plans to expand its domain to the Russian border by incorporating new members among former Communist countries in Eastern Europe.

He insisted that NATO enlargement would create "a new division of Europe" that Moscow still considered unacceptable.

Mr. Primakov's offer to open negotiations, made at a meeting with the 16 NATO foreign ministers, was greeted with universal approval. Secretary of State Warren Christopher called the decision "very good news," and Klaus Kinkel of Germany said that Western governments were "surprised and delighted by Russia's constructive attitude."

U.S. officials said it appeared that President Boris Yeltsin's government had recognized that the enlargement process could not be stopped and wanted to open a sustained dialogue with the West that would give Moscow a greater voice in European security matters.

Previously, Russia said it would consent to talks on a charter only when NATO expansion plans were dropped.

"Despite its dislike of enlargement, Russia will continue to regard NATO as an important organization with real power," Mr. Primakov said at a joint press conference with the NATO secretary-general, Javier Solana Madariaga. "We of course will be pragmatic in dealing with it."

"We do not like the expansion of NATO's military infrastructure toward our territory. We are against this and are looking for solutions, one of which is a dialogue, which I hope will now begin."

The concept of the NATO-Russia charter remains vague. The North Atlantic Treaty Organization has not yet agreed on the precise mandate for Mr. Solana, who will conduct the negotiations on its behalf. The allies also say there can be no possibility of granting Moscow any right to a veto or decision-making powers over NATO operations.

Germany and some other European countries want the charter to become the basis for an institutional dialogue over a broad range of global concerns, including arms control, peacekeeping missions, terrorism and even money-laundering.

The United States sees the charter primarily as a way to reassure Moscow that NATO's strategic intentions are peaceful, and that enlargement does not threaten Russia's security interests.

"If a charter can be can be worked out between Russia and NATO, it will complete the integration of Europe," Mr. Christopher said. "I think that over time the Russian fears can be dissolved as we go into these intensive negotiations with them for a special relationship."

Mr. Solana, a Spanish Socialist who has cultivated a friendly rapport with Mr. Primakov, said the goal was to draw up a charter by the time NATO holds a meeting of its heads of state in Madrid next July. At that meeting, NATO leaders plan to announce which countries will become new members by 1999. "Security in Europe cannot be established without Russia," Mr. Solana said. "We

See NATO, Page 8

French Aide Walks Out On Toast to Christopher

By William Drozdiak
Washington Post Service

BRUSSELS — Even for a man accustomed to dealing with the exasperating whims of Gallic diplomacy, it was a snub that Warren Christopher is not likely to forgive or forget.

Attending his final meeting of NATO foreign ministers before he retires next month as U.S. secretary of state, Mr. Christopher was enjoying a hearty round of farewell tributes from all of his peers — except one.

As the NATO secretary-general, Javier Solana Madariaga, raised his glass at a lunch for the ministers to propose a toast in Mr. Christopher's honor, the French foreign minister, Herve de Charette, stood up and walked out.

Mr. de Charene's place at the table was taken by France's ambassador to NATO, Gerard Errara, who proceeded to turn his back to the assembled ministers and carry on a conversation with an aide while Mr. Solana delivered his toast.

"It was an incredible display of petulant behavior," said a senior U.S. official. "Everybody knows there are tensions in the French-American relationship, but nobody expects them to be shown at a personal level."

French officials acknowledge that Mr. de Charette was peeved at Mr. Christopher's refusal to consider any compromise in a dispute over who should assume command of NATO's southern flank.

But they offered no explanation as to whether Mr. de Charette was answering an irresistible call of

See SNUB, Page 8

German Builders Lure Migrants With High Wages

By Edmund L. Andrews
New York Times Service

LEIPZIG — Ray Briggs and his crew of eight construction workers share a four-bedroom apartment here in the heart of what used to be East Germany. Most of them speak little or no German, and they long for their families in places such as Liverpool or London.

But here they can make as much as $26 an hour, about twice as much as at home, and there is plenty of work to be had.

"In England, you could never be sure what you were going to do when a job was over," said Mr. Briggs, who came from London nearly four years ago and hangs plasterboard.

"But in this boom, there's as much work as you want."

Low-wage migrant workers have always been a fixture in industrial nations. But what sets Germany apart are the high-wage migrant workers, thousands of well-paid people such as Mr. Briggs who come not from the Third World but from European or other advanced economies.

This creates a startling paradox that cuts to the heart of Germany's broader competitive problems: National unemployment remains stubbornly at 10.3 percent — 14 percent in the East — and 200,000 German construction workers are jobless. At the same time, labor leaders estimate, as many as 500,000 foreign workers, legal and illegal, are hammering nails and pouring concrete.

The British migrants are hardly alone. At almost any construction site these days, visitors encounter a mixture of nationalities.

Behind much of this are Germany's high wages, heavy taxes and rigid work rules. Contractors say the foreigners cost less than domestic workers and are far more flexible.

"I cannot use Germans; I absolutely cannot," said Thomas Paschuette, head of the Leipzig office of Objektplan, a German company that installs interior walls and ceilings. "I have two English guys who are quicker than seven Germans. If I had only German subcontractors, we would have been out of business two years ago."

Efforts to rein in unions' wage and work-rule advantages have encountered setbacks.

The other day, German banks and other financial institutions joined a growing number of employer and regional groups backpedaling on their insistence on cutting sick pay. Unions in the automotive, machine and financial industries, among others, resisted the efforts with punishing slowdowns and work-to-rule tactics.

In construction, the flood of foreign workers is particularly striking in eastern cities such as Leipzig

See JOBS, Page 8

Jose Manuel Ribeiro/Reuters

PAPER CHASE — Illegal immigrants lining up Wednesday in Lisbon to beat the deadline for presenting their papers for residence permits. An estimated 30,000 failed to apply for legalization during a 1993 amnesty.

Stock Prices Slide on Wall Street

The Dow Jones industrial average dropped Wednesday as investor wariness about interest rates combined with profit-taking to depress the market.

Financial analysts said lingering nervousness about the intentions of the Federal Reserve Board combined with a report that Japanese investors might reduce their purchases of U.S. Treasury bonds had helped to depress the U.S. stock market.

Reduced foreign demand for government bonds would put upward pressure on U.S. interest rates, clouding the outlook for stocks, which have rallied for the past two years. (Page 15)

Dow Jones	Trib Index
Down 70.73	Down 1.29%
6402.52	146.31

The Dollar

New York	Wed. close	previous close
DM	1.5379	1.553
Pound	1.6532	1.654
Yen	112.97	113.37
FF	5.197	5.2535

Sponsored Section EUROMANAGERS Pages I-II.

AGENDA

Nixon and the 'Jewish Contributors'

President Richard Nixon once ordered the Internal Revenue Service to investigate "big Jewish contributors" to the Democratic Party, passages on the recently released White House tapes show. "Please, get me the names of the Jews," Mr. Nixon told his chief of staff, H. R. Haldeman, in an Oval Office meeting on Sept. 13, 1971. "You know, the big Jewish contributors to the Democrats," he continued.

Mr. Nixon's scathing references to Jews were among 200 hours of tapes recently made public by the National Archives. (Page 3)

Technology Deal Near

The United States and the European Union agreed Wednesday on products to be included in an accord to liberalize trade in information technology.

In doing so, they moved within a hair's breadth of sealing a bilateral deal that would pave the way for a broader global pact to cut tariffs on $500 billion a year of trade in computers, chips and telecommunications equipment. (Page 15)

Newsstand Prices

Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 150	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim.$30.00

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To Our Readers

Because of technical difficulties, Wednesday's IHT was not available in some parts of Europe.

We regret any inconvenience this may have caused readers.

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GM-VW Case Leads to an Indictment

German Prosecutors to Charge Lopez With Stealing U.S. Firm's Secrets

Compiled by Our Staff From Dispatches

BERLIN — After three and a half years of suspense, the case of the missing General Motors files reached a climax Wednesday when German prosecutors returned a criminal indictment against a former GM executive accused of stealing trade secrets when he defected to Volkswagen.

Prosecutors in Darmstadt scheduled a news conference Friday to announce charges against Jose Ignacio Lopez de Arriortua, a former GM purchasing chief, and three other former GM managers for alleged betrayal of "trade and company secrets."

Mr. Lopez's attorneys said the charges of embezzlement and betrayal of trade secrets would not stand up in court. The attorneys, Juergen Taschke and Eberhard Wahle, said they would seek to have the charges dismissed.

Both GM and Volkswagen said prosecutors had notified them of the indictment Wednesday, although neither side said it had received a copy of the charges. The companies confirmed that prosecutors had also indicted a second former Volkswagen manager, Jose Manuel Gutierrez, along with two current managers who followed Mr. Lopez from GM to VW, Jorge Alvarez and Rosario Piazza.

Mr. Lopez resigned from Volkswagen Nov. 29.

GM said the charges against Mr. Lopez carried a prison sentence of three to five years.

GM's German subsidiary, Adam Opel AG, immediately claimed victory, saying the indictment "officially confirmed the suspicion of industrial espionage."

But Volkswagen emphasized the fact that no charges of conspiracy between Mr. Lopez and VW had been filed. VW reiterated that it had never requested or used foreign secrets. GM asserted that the charge of betraying trade secrets implied the opposite.

General Motors has accused Mr. Lopez of taking files with price lists and details for a new and highly efficient car factory with him when he left GM for Volkswagen in 1993.

Although the criminal charges appeared to be a blow for VW, a civil suit pending in a U.S. District Court in Detroit could prove more damaging, if not more costly, to Europe's biggest automaker. But Volkswagen, which has denied any wrongdoing, said the fact of an indictment should not be interpreted

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AT&T

Psychoanalysis Flourishes / **Revival of Freud**

Russian Minds Reawaken To Search for Self-Knowledge

By Alessandra Stanley
New York Times Service

MOSCOW — The young Russian psychoanalyst was confused. His patient, an alluring, intelligent but deeply unhappy young woman, seemed affronted when he interpreted her flood of sexual reminiscences as her fantasy of their future relationship.

"I think maybe I gave an interpretation too early, but I couldn't help it," he explained sheepishly to a group of fledgling Russian psychoanalysts around a conference table in Moscow. "She got angry and was unwilling to admit that there is any sexual component to our work."

Ten years ago, a seminar about stock Freudian concepts like resistance and transference was unthinkable in Russia. Freud's writings were banned as bourgeois ideology and read only furtively in samizdat, or bootleg, form. The few self-taught psychoanalysts who saw patients did so in fear and secrecy.

Banned by the Soviet authorities for three generations, all kinds of Western methods of psychotherapy are flourishing in Russia today, competing with the more dubious methods of folk medicine, witchcraft and psychic healing. Of all the different methods and schools — from Gestalt to group therapy — that have taken root since communism collapsed, Freudian psychoanalysis is by far the most challenging and the most controversial.

For the rediscovery of Freud and psychoanalytic therapy puts Russia squarely on a collision course with trends in the West.

In a kind of cultural role reversal, Russian therapists are shaking free of 70 years of drug-based Soviet psychiatry to explore the id and the ego just as many of their Western counterparts — spurred by advances in biochemistry and the rise of managed care — are turning away from such long-term talk therapies in favor of drugs like Prozac.

The widespread hopes that Freudians in Russia have for the future of psychoanalysis in some ways mirror the great expectations of their American and European counterparts 30 years ago.

"For 70 years, the Russian people were robbed of self-knowledge," said Sergei Agrachev, 44, president of the new Moscow Psychoanalytic Society. "Psychoanalysis is one weapon with which we can restore some order to our society."

In July, President Boris Yeltsin signed a decree officially recognizing psychoanalysis as a legitimate psychiatric treatment.

Psychoanalysis is now part of the curriculum for psychology students. It is even taught at the Military University of the Ministry of Defense of the Russian Federation, formerly known as the Lenin Military-Political Academy.

The new health minister, Tatiana Dmitriyeva, is a psychiatrist specializing in personality disorders who until recently was director of the Serbsky Institute, notorious in the 1970s as a psychiatric hospital where dissidents were incarcerated.

In an interview, Mrs. Dmitriyeva was skeptical about some colleagues' embrace of psychoanalysis, referring to it as a fad that had already faded in the West. Despite her misgivings, she arranged for two former colleagues at the Serbsky Institute to study psychoanalysis in France.

"Since in our country it was prohibited, there is a natural fascination with psychoanalysis, especially among the young," she explained. "The country has to go through it before it develops an immunity and this method finds its proper place."

So far, no Russian psychoanalyst has completed the rigorous training required by the London-based International Psychoanalytical Association. Russian psychoanalysts like Mr. Agrachev are mostly self-taught and are not certified by Western institutes. While some are medical doctors, most are psychologists.

At least eight Russian would-be analysts are in the United States undergoing the formal training that will allow them someday to train and supervise their colleagues back home.

Mikhail Romashkevich, the head of one leading Freudian society, called the Russian Psychoanalytic Association, is undergoing what he calls "shuttle analysis" in his quest for certification.

Since no Russian is recognized abroad as a training analyst, he commutes to Prague once a month to undergo analysis. He and many others who are practicing psychoanalysts in Russia submit their cases to supervisors in the West by fax and e-mail.

Mr. Agrachev, who was trained as an electrical engineer, was one of the first Russians to go underground to undergo analysis, which he began in secrecy in 1977 and kept up for nine years with a self-taught mentor. He now sees 20 patients, 2 of whom are in deep analysis, which entails four sessions a week while lying on a couch.

The average cost of psychoanalysis in Russia is about $20 an hour. Mr. Agrachev's fees, set according to his patients' ability to pay, range from $8 an hour to $65.

The deprivations of Russian life make it difficult for analysts here to live up to the exacting standards of Western psychoanalysis.

By day, Mr. Agrachev's office in his small apartment is a pleasant, rather impersonal den. But at night, in violation of psychoanalytic taboo, it reverts to his bedroom, the couch turning into a fold-out bed.

The burgeoning of Freudian thought in Russia is something of a boon to the Western psychoanalytic movement. Presiding at the seminar in Moscow, Earle Baughman, a visiting American training analyst from the Baltimore-Washington Institute for Psychoanalysis, was listening through an interpreter to the young Russian therapist discussing his reluctant patient.

"She's a hysteric, all right," he said. "She broadcasts sexuality all over the place, but when the man says, 'O.K., let's talk about sex,' she says no."

To Westerners, the Russian Freudian movement is sometimes reminiscent of psychoanalysis in its heyday.

"Psychoanalysis here doesn't have the revolutionary spirit it once had," said Gary Goldsmith, a Boston-based member of the American Psychoanalytic Association who travels to supervise Russian psychoanalytic trainees in Moscow and St. Petersburg.

"But there is a feeling in Russia that the Soviet regime turned them into a neurotic society," he added. "I've noticed there is an idealization in Russia still, a feeling that psychoanalysis is a panacea. Our job is to help them avoid the mistakes we've made over the past 60 years."

PSYCHOANALYSIS had a rich history among the Russian intelligentsia before and immediately after the revolution of 1917. The first translation of Freud's writings was into Russian. In Vienna, some of Freud's earliest disciples and even some patients were Russian.

The Bolsheviks at first embraced psychoanalysis as an antidote to bourgeois thinking. Theirs was the first government to recognize psychoanalysis officially as a science and to award its practitioners state funds. In 1926, the Soviet government allowed the creation of the first psychoanalytic kindergarten for neurotic children, in Moscow.

"The Russian psychoanalysts were seeking a way to make Marx and Freud compatible," said Martin Miller, a historian at Duke University who is writing a book about the psychoanalytic movement in Russia. "They wanted to create a collective psychology."

In 1930, Stalin put an abrupt end to the experiment with psychoanalysis, and Freud was banned from bookstores and library shelves. Until the mid-1980s, university scholars studied Freud not in the original, but through the filter of Marxist critique. Though there were some Marxist-oriented psychoanalytic centers around the Soviet Union, mostly the movement died or went underground.

When Western psychoanalysts began visiting Russia in 1991, they discovered a Freudian school steeped in the literature of the 1920s and 1930s and untainted by Freud's successors and critics.

"We hadn't read Adler or Horney or Fromm," Mr. Agrachev said. "We were like the mammoths that are discovered intact and frozen in the permafrost."

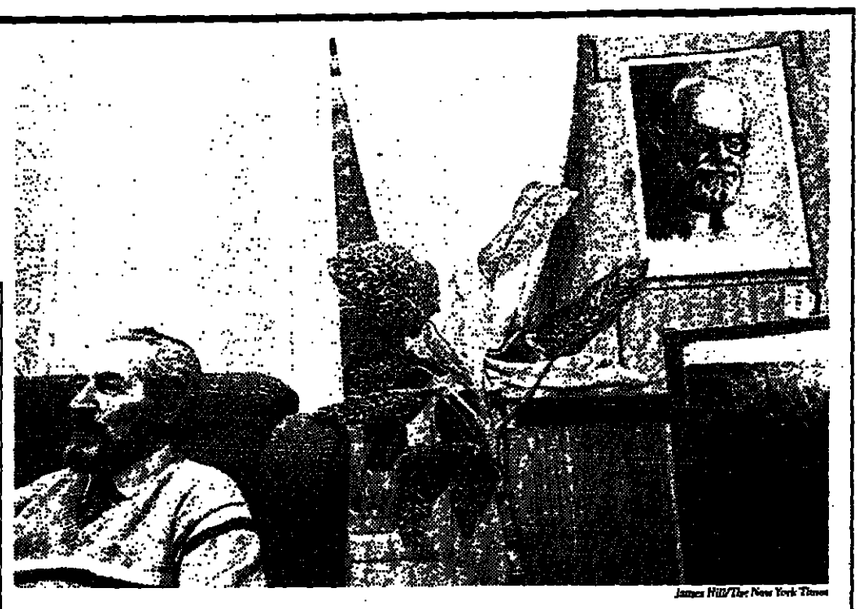
That has changed. Therapists are no longer treating patients in doorways and alleys along the Arbat pedestrian mall. There are Jungians and followers of Lacan in Russia.

Even Freudian circles are suffering the kind of rifts and rivalries that characterize Western psychoanalysis. There is a thriving psychoanalytic institute in St. Petersburg and at least three in Moscow, two of which are called the Russian Psychoanalytic Association.

Dr. Aron Belkin, founder of one of those two rival schools, is famous in Russia for having published a newspaper article extolling psychoanalysis in 1988, when Freud was still officially taboo.

Trained as an endocrinologist, he has spawned his own method, combining conventional psychoanalysis with what he described as psychoneural endocrinology.

Dr. Belkin said he frowned on the new generation's desire to emulate Western models. "We cannot copy the West," he said. "We are different. We need to develop a purely Russian psychoanalysis to understand ourselves."



James Hill/The New York Times

Dr. Aron Belkin sitting near a portrait of Freud in his office. He is famous in Russia for having published an article extolling psychoanalysis in 1988, when Freud was still officially taboo. Dr. Belkin has spawned his own method, saying he frowned on the new generation's desire to emulate Western models. "We cannot copy the West," he said. "We are different. We need to develop a purely Russian psychoanalysis to understand ourselves."

Saudis Offer Evidence of Iran Terror

Inquiry Links Tehran To Blast at U.S. Base

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The government of Saudi Arabia has given the Clinton administration detailed data intended to support the Saudis' belief that the June bombing of a U.S. military housing complex in the kingdom was carried out by Saudi Shiite extremists who were trained in Lebanon and acted with the support of the Iranian government.

Prince Nayef ibn Abdulaziz, the Saudi interior minister in charge of security, handed over the evidence to the director of the FBI, Louis Freeh, when Mr. Freeh visited Riyadh last month.

The data included confessions extracted from some of 40 Saudi Shiites detained and accused of involvement in the bombing, results of Saudi wiretaps and other electronic eavesdropping, and a detailed account of the movements of key alleged conspirators into and out of Saudi Arabia, Lebanon's Bekaa, Damascus and Tehran, according to sources familiar with the matter.

Officials in the United States and Saudi Arabia described Mr. Freeh's meeting with Prince Nayef as a turning point in the inquiry because it was the first formal presentation of much of what Saudi officials have learned during their five-month inquiry into the truck bombing. The blast killed 19 Air Force service members and wounded hundreds at the Khobar Towers military housing complex in Dhahran.

In a related development, some well-placed senior Saudi officials have suggested to the Clinton administration that the United States could lead other nations in taking some form of military and diplomatic action against Iran early next year if the United States agreed with the Saudis that Iran was linked to the bombing, the sources said.

The Saudi government as a whole has not yet taken a position that such action against Iran is warranted, because it is awaiting Washington's formal judgment about the case, the sources said.

But by raising this possibility now, while the top U.S. foreign policy and defense positions are in a state of transition to new appointees, these Saudi officials have put the White House on notice that the issue of potential retaliation for the Khobar Towers bombing will be one of the first challenges of President Bill Clinton's second term, they said.

U.S. officials said Tuesday that FBI counterterrorism experts were now reviewing the latest Saudi evidence, which Mr. Freeh obtained from Prince Nayef and other Saudi officials during the American's visit Nov. 23 to 25. But the officials added that no final FBI or administration judgment about the credibility of the evidence was expected for weeks, if not months.

"It's still early," a senior U.S. law enforcement official said. "It takes a while to sort through" evidence of the type presented to Mr. Freeh.

Saudis have told Washington that the data given to Mr. Freeh painted a picture of a conspiracy carried out by Saudi Shiite terrorists who received military-grade explosives, bomb components and training in Lebanon from members of Hezbollah, or the Party of God, a radical Islamic organization that long has been financed, trained and equipped by Iran.

Some of the Saudis and Hezbollah members traveled to and from Tehran before and after the explosion, and allegedly had extensive dealings with Iranian intelligence agents, the sources said.

The Saudi theory is that Iran's target was not so much the United States as the Saudi regime itself, on the assumption that the bombing would highlight the kingdom's controversial ties with the West, encourage a withdrawal of U.S. troops from the kingdom and possibly destabilize the Saudi leadership.

Saudi Arabia's pro-Western monarchy, led by members of the Sunni branch of Islam, vies for influence in the Gulf and the Islamic world with Iran's anti-Western, Shiite-led government.

U.S. Arrests Algerian Muslim After Denying Him Asylum

Reuters

WASHINGTON — U.S. immigration officials took a senior Algerian Muslim fundamentalist politician into custody after denying him political asylum, the Justice Department and the man's group said Wednesday.

They said Anouar Haddam, the self-styled leader of the Islamic Salvation Front parliamentarians in exile, was taken into custody last week and will be detained pending a hearing aimed at excluding him from the United States.

Justice officials said Mr. Haddam entered the United States in 1993 on a conditional parole request. Once his asylum request was rejected, his authority to remain in the country ended.

The officials said the United States also would seek to deport Mr. Haddam's wife and child, who have overstayed their tourist visas.

An American Muslim Council source confirmed that Mr. Haddam was in jail. An initial, closed-door hearing was scheduled Friday.

France had pressed Washington to silence Mr. Haddam since Muslim guerrillas carried out a wave of attacks on French nationals in Algeria and bombings in Paris, Paris sources said.

■ French Report Predicted Terror

A report predicting attacks on European targets by extremist Islamic groups from Algeria was completed by French intelligence services on Nov. 19, two weeks before a bomb exploded on a Paris subway train, killing four people, Roger Cohen of The New York Times reported from Paris on Wednesday.

The report, revealed by the daily Le Monde, was based on investigations in Algeria and concluded that "all the indications gathered on the ground" suggested that European targets would be picked to provide "a resonance that no longer exists in Algeria."

TRAVEL UPDATE

Public Workers' Strike Cuts Services in Spain

MADRID (AP) — A one-day strike by state workers Wednesday left government buildings, schools, hospitals and airports struggling to provide basic services.

Tens of thousands of public-sector employees stayed away from their jobs to protest a government plan to freeze wages in 1997. The strikers included pilots for Iberia Airlines, mail carriers, teachers, doctors, nurses, fire fighters, judges and other court workers.

Public transportation operated normally because of contracts signed outside government authority.

2 New Japan Airports Gain Official Backing

TOKYO (AFP) — A government panel recommended Wednesday that two new international airports be constructed and an existing one expanded, at a total cost of 3.6 trillion yen ($32 billion), to meet rising demand for air transportation in Japan.

The Council for Civil Aviation said in a report to Transport Minister Makoto Koga that new airports were needed to serve the Tokyo metropolitan area and the Chubu region of central Japan. It also called for the expansion of the Kansai international airport, which is situated on an artificial island in Osaka Bay, off western Japan.

The cabinet of Prime Minister Ryutaro Hashimoto is expected to approve the plans at a meeting Friday.

Kenyan air traffic controllers defied a government ultimatum to return to work Wednesday or face dismissal, and airline officials said flights in and out of the country were running up to two hours late because of the strike for higher wages, which started Saturday. Civil aviation authorities have replaced the strikers with instructors and administrators. *(Reuters)*

Air traffic resumed at Madrid's Barajas airport after a fire late Tuesday cut off runway lights for more than five hours. Nearly 300 flights were canceled. *(AFP)*

Iran Said to Shift Jets to Damascus

The Associated Press

JERUSALEM — Iran has sent a squadron of fighter planes to Damascus and has been using the Syrian capital as a base for shipping weapons to Shiite Muslim guerrillas in southern Lebanon, an Israeli newspaper said Wednesday.

The Ha'aretz newspaper cited a report received by Israel from unnamed Western intelligence agencies.

The report said dozens of Iranian jet fighters landed in Damascus. Ha'aretz said it was not clear whether the fighter planes were part of a joint Iranian-Syrian exercise or were a signal of a planned joint aggression against Israel.

David Bar-Illan, an aide to Prime Minister Benjamin Netanyahu, would not confirm whether Mr. Netanyahu's office had received the report but said that Israel did not see the fighter squadron as a threat.

"We do not consider it a direct threat of war at this stage," Mr. Bar-Illan said.

Ha'aretz said military and civilian Iranian planes had flown into Damascus recently, carrying weapons that were then transferred to Shiite Muslim Hezbollah guerrillas in southern Lebanon.

The IHT Pocket Diary Puts 1997 Right Into Your Pocket.

Year after year — even at a period when diaries abound — the International Herald Tribune flat, silk-grain leather diary is the hit of the season.

Ingeniously designed to be thinner-than-thin, it still brings you everything... including a built-in note pad with always-available "jotting paper". Plus there are conversion tables of weights, measures and distances, a list of national holidays by country, a wine vintage chart, and many other useful facts. All in this incredibly flat little book that slips easily into a pocket.

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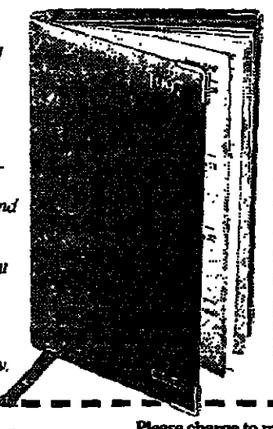

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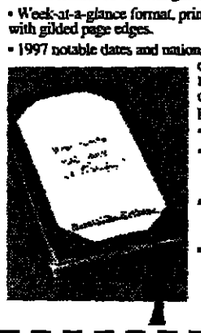

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WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Jetstream · Unseasonably Cold · Unseasonably Hot · Heavy Rain · Heavy Snow

North America The Great Lakes and much of the East will turn colder this weekend with rain or snow into Saturday; Saturday and Sunday over New England. Dry in the Plains with a warming trend into Saturday. Unsettled in the Northwest Friday, then turning warmer across much of the West.

Europe Unseasonably chilly across much of western Europe with rain and snow possible into Saturday. Drier and perhaps turning milder in London, Paris and Amsterdam Sunday. Turning cooler across eastern Europe and western Russia with rain and snow late Friday through Saturday.

Asia Mild in Beijing, Seoul and Tokyo through the weekend. Showers could affect Seoul Saturday, then move to Tokyo by Sunday; dry in Beijing. Seasonable with some sun in Hong Kong; it may shower Friday. Typically warm and humid in Singapore with a thunderstorm in the area each day.

Europe

	Today High	Today Low	Today W	Tomorrow High	Tomorrow Low	Tomorrow W
	C/F	C/F		C/F	C/F	
Algarve	18/64	14/57	r	18/64	10/50	t
Amsterdam	2/35	-1/31	pc	1/34	-4/25	sn
Antwerp	4/39	1/34	r	4/39	-3/27	sn
Athens	13/55	8/46	pc	14/57	10/50	sc
Barcelona	13/55	12/53	sh	15/59	9/48	sh
Belgrade	6/43	1/34	c	8/46	6/43	pc
Berlin	2/35	-1/31	pc	2/35	-3/27	r
Brussels	3/37	2/35	c	3/37	-3/27	r
Budapest	4/39	1/34	c	6/43	6/43	r
Copenhagen	1/34	-3/27	pc	0/32	-7/20	sn
Costa Del Sol	18/68	12/53	c	17/62	11/52	r
Dublin	7/44	2/35	c	3/37	2/35	pc
Edinburgh	5/41	2/29	c	2/35	-2/28	c
Florence	11/52	5/41	pc	12/53	11/52	r
Frankfurt	2/35	-1/31	pc	2/35	-3/27	r
Geneva	5/41	3/37	sh	10/50	4/39	r
Helsinki	-1/31	-2/28	sn	2/35	-2/28	sn
Istanbul	9/48	6/43	sh	8/46	6/41	sh
Las Palmas	22/71	18/64	pc	23/73	19/66	pc
Lisbon	14/57	12/53	r	18/61	8/46	sh
London	6/43	1/34	c	4/39	-1/31	sn
Madrid	12/53	10/50	r	13/55	4/39	r
Mallorca	13/55	12/53	sh	14/57	11/52	sh
Milan	7/44	4/39	c	8/46	6/43	r
Moscow	-4/25	-4/25	sn	0/32	-3/27	pc
Munich	3/37	-2/28	pc	5/41	2/35	r
Nice	13/55	12/53	sh	16/61	12/53	r
Oslo	2/35	-5/24	sn	-4/25	-14/7	sf
Paris	2/35	2/35	sn	3/37	-3/27	r
Prague	4/39	-1/31	pc	4/39	1/34	r
Reykjavik	0/32	-3/27	c	6/43	1/34	c
Rome	14/57	7/44	pc	14/57	11/52	sh
St. Petersburg	-4/25	-4/25	sn	-1/31	-2/28	sn
Stockholm	2/35	-1/31	c	1/34	-7/20	c
Strasbourg	7/44	5/41	pc	9/48	2/35	r
Tallinn	-1/31	-2/28	sn	1/34	-2/28	sn
Venice	8/48	3/37	c	8/46	6/43	r
Vienna	6/43	1/34	c	9/43	5/41	sh
Warsaw	1/34	-3/27	pc	3/37	1/34	c
Zurich	4/39	3/37	pc	8/46	4/39	r

Middle East

Abu Dhabi	29/79	13/55	s	27/80	14/57	s
Beirut	19/66	13/55	pc	18/61	11/52	r
Cairo	22/71	11/52	s	19/66	9/48	pc
Damascus	18/64	6/43	s	12/53	4/39	sh
Jerusalem	16/61	8/43	s	12/53	4/39	sh
Luxor	28/79	5/41	s	28/82	5/41	s
Riyadh	22/71	12/53	pc	24/75	12/53	pc

North America

	Today High C/F	Today Low C/F	Today W	Tomorrow High C/F	Tomorrow Low C/F	Tomorrow W
Anchorage	-6/22	-11/13	c	-8/18	-13/9	sl
Atlanta	20/68	9/48	sh	16/61	3/37	sh
Boston	8/43	3/37	r	7/44	2/35	pc
Chicago	3/37	-1/31	sh	5/43	-2/28	c
Dallas	20/68	7/44	s	18/64	2/35	s
Denver	13/55	-4/25	s	10/50	-3/27	s
Detroit	7/44	3/37	r	7/44	-1/31	sh
Honolulu	25/79	18/68	pc	27/80	18/64	pc
Houston	24/75	13/55	pc	22/71	6/43	s
Las Angeles	23/68	12/53	pc	22/71	12/53	pc
Miami	28/79	18/64	pc	28/79	18/61	pc
Minneapolis	-2/28	-9/16	c	2/35	-6/22	pc
Montreal	3/37	-3/27	c	7/44	0/32	sh
Nassau	29/77	18/64	pc	24/75	17/62	pc
New York	7/44	3/37	r	7/44	3/37	r
Orlando	25/79	14/57	pc	23/73	11/52	pc
Phoenix	29/71	9/48	s	24/75	12/53	s
San Fran.	14/57	9/48	sh	15/61	8/46	pc
Seattle	6/43	3/37	sh	6/43	2/35	sh
Toronto	7/44	-7/44	sh	12/53	3/37	r
Vancouver	4/39	1/34	sh	3/37	-6/22	sn
Washington	10/50	7/44	c	10/50	4/39	r

Asia

	Today High C/F	Today Low C/F	Today W	Tomorrow High C/F	Tomorrow Low C/F	Tomorrow W
Bali	32/89	23/73	t	34/93	23/73	pc
Bangkok	31/88	23/68	pc	30/86	19/66	pc
Beijing	6/43	-2/28	s	8/46	-2/28	s
Bombay	32/89	16/61	s	32/89	17/62	s
Calcutta	27/80	13/55	s	28/79	13/55	s
Chiang Mai	32/89	18/64	pc	32/89	17/62	pc
Colombo	29/84	23/73	t	29/84	23/73	t
Hanoi	23/73	17/62	pc	22/71	16/61	s
Ho Chi Minh	32/89	22/71	pc	32/89	22/71	pc
Hong Kong	21/70	16/61	pc	20/68	15/59	s
Islamabad	23/73	4/39	s	24/75	3/37	s
Jakarta	30/86	25/77	t	29/84	24/75	sh
Karachi	32/89	11/52	s	32/89	12/53	s
K. Lumpur	31/88	23/73	sh	31/88	23/73	t
K. Kinabalu	27/80	22/71	r	27/80	22/71	r
Manila	31/88	21/70	pc	30/86	21/70	pc
New Delhi	28/82	4/39	s	27/80	6/43	s
Phnom Penh	31/88	23/71	pc	29/84	22/71	s
Phuket	31/88	23/68	pc	30/86	18/66	pc
Rangoon	32/89	20/68	pc	30/86	19/66	pc
Seoul	8/46	0/32	pc	8/43	-2/28	pc
Shanghai	13/55	3/37	s	11/52	3/37	s
Singapore	28/82	23/73	r	28/82	23/73	r
Taipei	20/68	14/57	c	19/66	13/55	c
Tokyo	13/55	4/39	s	11/52	3/37	pc
Vientiane	23/73	17/62	pc	22/71	16/61	s

Africa

Algiers	23/73	10/50	pc	23/73	10/50	pc
Cape Town	23/73	13/55	s	23/73	15/59	pc
Casablanca	23/71	11/52	pc	18/62	11/52	sh
Harare	27/80	9/48	pc	28/82	9/48	s
Lagos	31/88	23/73	s	32/89	23/73	s
Nairobi	28/82	12/53	s	29/84	13/55	s
Tunis	19/66	11/52	c	23/73	12/53	pc

Latin America

Buenos Aires	22/71	12/53	sh	23/73	14/57	pc
Caracas	29/84	20/68	pc	30/86	23/73	pc
Lima	25/77	18/64	pc	25/77	18/64	pc
Mexico City	20/68	4/39	s	17/62	4/39	pc
Rio de Janeiro	29/84	22/71	t	27/80	21/70	pc
Santiago	28/82	10/50	pc	28/82	9/48	s

Oceania

Auckland	21/70	12/53	s	17/62	17/62	r
Sydney	24/75	13/55	pc	18/64	12/53	pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

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هكذا من الاصل

THE AMERICAS

Nixon on Tape: Tracking the 'Jewish Contributors'

By Barbara J. Saffir
Washington Post Service

WASHINGTON — President Richard Nixon once ordered the Internal Revenue Service to investigate "big Jewish contributors" to the Democratic Party, according to recently released White House tapes.

"Please, get me the names of the Jews," Mr. Nixon told his chief of staff, H. R. Haldeman, in an Oval Office meeting on Sept. 13, 1971. "You know, the big Jewish contributors to the Democrats," he continued. "Could you please investigate some of the [expletives]?"

After Mr. Haldeman suggested that "what we ought to do is get a zealot who dislikes those people," Mr. Nixon said emphatically: "Go after them like a son of a bitch."

Mr. Nixon's scathing references to Jews were also apparent in a conversation with his domestic policy chief, John Ehrlichman. Speaking in the president's quarters in the Executive Office Building that same month, Mr. Nixon said:

"John, we have the power. Are we using it now to investigate contributors to Hubert Humphrey, contributors to Muskie? The Jews, you know, that are stealing in every direction?" Senator Edmund Muskie, former Vice President Humphrey and Senator George McGovern were all gearing up to challenge Mr. Nixon in the 1972 presidential election.

The tape, first reported by the San Francisco Examiner, was among 200 hours of Nixon tapes recently made public by the National Archives.

Less than a year after the attacks on Jewish contributors, Mr. Nixon ordered broader investigations of Democratic contributors in general.

"What in the name of God are we doing on this score?" Mr. Nixon asked in an Oval Office discussion with Mr. Haldeman and Mr. Ehrlichman on Aug. 3, 1972. "What are we doing about the financial contributors? . . . Are we looking over McGovern's financial contributors? Are we looking over the financial contributors to the Democratic National Committee? . . . Is the Justice Department checking? . . . We have all this power and we're not using it. Now what the Christ is the matter?"

Robert Strauss, treasurer of the Democratic National Committee in 1971, told the Examiner he found Mr. Nixon's comments "sickening" and said, "As a Jewish, politically involved Democrat, this language coming out of the mouth of a president of the United States is more than I can really comprehend."

Peter Morgan/Reuters

SANTA CROSS — Police hauling away anti-fur protesters in New York at the offices of Vogue magazine.

2 Big Clinton Blocs Clash Over Cabinet

Choice for Labor Post Is Divisive

By John F. Harris and Frank Swoboda
Washington Post Service

WASHINGTON — The competition to be the next U.S. secretary of labor has set off an intense lobbying battle in Washington between leaders of organized labor and African-Americans that may force President Bill Clinton to choose between two of his most loyal constituencies.

Mr. Clinton, in his second transition, has tried to avoid the public emphasis on diversity that marked his accession to power four years ago. But the fight over who will head the Labor Department shows a White House still under acute pressure to mollify interest groups.

For weeks, the White House director of public liaison, Alexis Herman, has been named privately by administration officials as the leading contender to replace Labor Secretary Robert Reich. But her candidacy has been stalled in recent days, according to people involved in filling the vacancy both within the administration and outside, and could be derailed because of opposition from labor.

Ms. Herman, an African-American, has the support of Jesse Jackson and other civil rights leaders.

In the White House, aides say, her backers include Vice President Al Gore. She worked in the Labor Department in the Carter administration, but union representatives have complained to the White House about her lack of a strong background in labor issues since then and they privately questioned whether she has the stature in the administration to be effective in policy battles.

Both the AFL-CIO president, John Sweeney, and Senator Edward Kennedy of Massachusetts have told the White House that they prefer Harris Wofford, a former senator, to be labor secretary.

Mr. Wofford, a former state secretary of labor in Pennsylvania, has strong ties to the Kennedy family, and Mr. Clinton named him to head the AmeriCorps public service program after Mr. Wofford was defeated for re-election in 1994.

Separately, the president announced Tuesday that Evelyn Lieberman, a deputy White House chief of staff, would head Voice of America.

Aides said Mr. Clinton hopes to announce further cabinet appointments at a news conference Friday. One senior official said the selection of William Daley, a Chicago lawyer and brother of Mayor Richard Daley, to be transportation secretary is the closest to being ready.

Representative Bill Richardson of New Mexico, whose Hispanic origins have given him strong support among Latino groups, is the front-runner to replace Commerce Secretary Mickey Kantor.

Chemical Arms in Kuwait Ignored, Soldiers Say

By Philip Shenon
New York Times Service

WASHINGTON — Two American soldiers who operated the most sophisticated chemical-detection equipment used in the 1991 Gulf War have told Congress that chemical weapons were found in Kuwait during and after the war, contradicting repeated statements from the Defense Department.

The soldiers, who worked in a mobile chemical-detection laboratory known as a Fox vehicle, testified before a House subcommittee that their reports of chemical detection were largely ignored or dismissed by their superiors.

"Alarms were going off, detections were being made, and the individuals who were actually responsible for manning these detection systems knew what they were doing," Major Michael Johnson, a chemical-detection specialist with the army, told the panel this week.

He said his Fox vehicle detected mustard agent in a large metal tank found in Kuwait in August 1991, months after the war ended.

In the past, Pentagon officials have insisted that despite the technical sophistication of the Fox vehicles, which are able to detect 60 different chemical agents simultaneously using a laboratory-quality mass spectrometer, most of the detections made during the war were false alarms. The officials have also denied that stores of chemical weapons were ever found in Kuwait.

The Defense Department said, however, that as part of an expanded review of Gulf War illnesses it would look again at the evidence of chemical detections involving Fox vehicles. "We've made a commitment to go back and look at these incidents described today, as well as all other incidents," a Pentagon spokesman said.

Despite the Defense Department's new commitment, the testimony of Major Johnson and Gunnery Sergeant George Grass of the Marine Corps provided fresh ammunition to lawmakers who have accused the Pentagon of hiding evidence of exposure to Iraqi chemical weapons during the war.

Christopher Shays, Republican of Connecticut and chairman of the House panel, said that valid chemical detections had been "dismissed, discounted, discredited or denied" by commanders eager to ignore the possibility that troops had been exposed to chemical weapons.

Representative Bernard Sanders, an independent from Vermont, accused the Pentagon of suppressing information about the chemical exposures by the Fox vehicles. "Veterans have every right to know why this information was not forthcoming, and in fact who is responsible for what might be termed an apparent cover-up," he said.

The Pentagon has insisted that it learned only this year of an incident in which large numbers of American troops may have been exposed to chemical weapons — an event in March 1991, in which American combat engineers blew up an Iraqi ammunition bunker that was later determined to have contained tons of nerve gas and mustard agent.

But the testimony on Tuesday from soldiers who manned the Fox vehicles suggested that there were repeated, accurate detections of chemical weapons in Kuwait during the war and afterward.

The two witnesses remain in the military, although both have reported health problems that they believe may have resulted from their deployment to the Gulf.

Sparring Over Bloody Glove

Simpson Defense Suggests Fuhrman Planted It

The Associated Press

SANTA MONICA, California — O. J. Simpson's attorney suggested Wednesday that Mark Fuhrman had 30 minutes to plant a bloody glove behind Mr. Simpson's home the morning after Nicole Brown Simpson and Ronald Goldman were slain.

The lawyer, Robert Baker, presented the theory to the jury through questions to a former police detective, Tom Lange, who was unable to pinpoint his colleague's whereabouts at Mr. Simpson's house from 5:45 A.M. to 6:15 A.M. on June 13, 1994, the day after the murders.

"Do you know whether Detective Fuhrman was leaving . . . so he would be all by himself so he would have the opportunity to plant a glove?" Mr. Baker asked at the trial of a wrongful-death civil suit against Mr. Simpson.

An attorney for the plaintiffs, Ed Medvene, objected, and the judge refused to allow Mr. Lange to answer.

The question "called for Mr. Fuhrman's intent," Judge Hiroshi Fujisaki said in sustaining the objection.

Mr. Lange also said he had not been paying close attention to Mr. Fuhrman that morning.

"Fuhrman was out of your vision from 5:45 to 6:15?" Mr. Baker asked. "Yes or no?"

"Again, I don't know," Mr. Lange replied. "He was in and out of my vision. I don't know where Mr. Fuhrman was all the time he was there. I was focusing on other things."

Mr. Baker's questioning marked the clearest attempt yet by the defense to accuse Mr. Fuhrman of planting evidence. It also was part of a defense attempt to raise Mr. Fuhrman's role even though the former detective will not be testifying.

Mr. Fuhrman's involvement in testimony in the criminal trial played an important role in that jury's decision to acquit Mr. Simpson of murder charges in the slayings of Mrs. Simpson and Mr. Goldman.

Mr. Fuhrman was accused of being a racist, a rogue cop who wanted to frame Mr. Simpson. He later entered a plea of no contest to felony perjury charges for lying in the trial when he denied ever having used a racial slur toward blacks in the past decade.

Mr. Fuhrman now lives outside California and cannot be compelled to testify in the civil trial as Mr. Simpson's attorneys would like him to. Judge Fujisaki also has barred the defense from introducing Mr. Fuhrman's criminal-trial testimony in the civil case.

Child Poverty Soars, And in Suburbs, Too

By Spencer Rich
Washington Post Service

WASHINGTON — Poverty among children has jumped sharply in the past two decades to 25 percent of all children under 6 in 1994 from 18 percent in 1975, according to a new study.

The rate of poverty among children is not only higher than it is for the overall population, but it has climbed at a faster rate. American children are also more likely to be poor than are children in the industrial nations of Europe, according to the study by Columbia University's National Center for Children in Poverty, released Tuesday.

"These findings should be a loud wake-up call for America," said Lawrence Aber, the center's director.

Mr. Aber said some of the findings, which were based on census data, could shatter stereotypes about child poverty. The study found that poverty among children had grown nearly twice as fast in the suburbs as in urban areas and twice as fast among whites as among blacks. Child poverty also grew rapidly among two-parent families with a full-time worker.

Mr. Aber and census officials said part of the climb in child poverty simply reflected changes in the overall economy, in which the slow rate of growth has dragged down wages for the parents of these children. Another factor is the growth in single-parent families. In 1970, 6.8 million households were headed by a single parent, yet by 1995 the number had more than doubled to 15.4 million. The income of such families is typically low, research shows, because the parent, usually a woman, is often young and possesses limited work skills.

High Court Challenges Reno Request

The Associated Press

WASHINGTON — Attorney General Janet Reno's debut as an advocate before the Supreme Court turned bumpy Wednesday as justices repeatedly challenged her call for giving the police greater authority to order passengers out of cars.

Ms. Reno's 10-minute argument was interrupted by justices voicing doubt about the wisdom of allowing police officers to make everyone get out of a car stopped for a routine traffic violation.

The nation's top law enforcement official traditionally makes at least one appearance before the highest court. And it was thought that Ms. Reno, whose return for President Bill Clinton's second term is uncertain, had followed the practice of picking an issue that the government was sure to win.

But even the conservative court's most ardent law-and-order champions seemed troubled by the arguments offered by Ms. Reno and Maryland's attorney general, J. Joseph Curran.

Justice Stephen Breyer seemed to speak for most of his colleagues when he stated: "The question is the risk of abuse."

POLITICAL NOTES

Panel Chief Has 'Great' Doubts On Nomination of Lake to CIA

WASHINGTON — The chairman of the Senate Select Committee on Intelligence said Wednesday that he had "great reservations" about confirming W. Anthony Lake, President Bill Clinton's choice to become the next director of central intelligence.

"I have great reservations about Mr. Lake and about his sensitivity," said Senator Arlen Specter, Republican of Pennsylvania. He cited Mr. Lake's role in a covert diplomatic policy that kept Congress and the CIA in the dark on the transshipment of Iranian arms to Bosnia.

As Mr. Clinton's national security adviser, Mr. Lake was an architect of a secret policy that encouraged Croatia to help ship arms to Bosnian Muslims in 1994 in violation of a United Nations embargo.

Mr. Specter said he would vote against confirmation if Mr. Lake maintained that as Central Intelligence Agency director he could withhold such secrets from the intelligence oversight panels. "It would make it an easy question for me to vote no on his confirmation," Mr. Specter said. *(Reuters)*

New Curbs on Wetlands' Use

WASHINGTON — The Clinton administration has significantly tightened wetlands regulations, saying it will phase out a kind of expedited permit procedure that has allowed developers to drain tens of thousands of acres of wetlands, 10 acres at a time.

The Army Corps of Engineers, which regulates development in wetlands, said the permit would be abolished within two years. Until then, the corps said, projects qualifying for the permit may involve no more than three acres of wetland. About 2.5 acres constitute one hectare.

Environmentalists had complained that the quick procedure for getting the corps's permission to develop wetlands, known as Nationwide Permit 26, allowed the destruction of wetlands, which absorb floodwaters and provide a habitat for wildlife. *(NYT)*

Texan Pro-Gun Candidate Loses

HOUSTON — Representative Steve Stockman, Republican of Texas, a gun-rights supporter who became a lightning rod for anti-militia sentiment, lost a runoff to a former county tax assessor after just one term. Mr. Stockman lost to the Democrat, Nick Lampson, 53 percent to 47 percent, in one of three congressional runoffs in Texas.

Another freshman incumbent, Ken Bentsen, a Democrat and nephew of former Senator Lloyd Bentsen, easily won re-election over the Republican, Dolly Madison McKenna, in the 25th District.

In a battle of two Republicans in the 8th District, state Representative Kevin Brady, supported by the party's establishment, defeated Gene Fontenot.

The elections leave Republicans still in control of the House next year, holding a 227-to-207 advantage, with one independent member.

The runoffs followed a ruling by federal judges that some districts were improperly drawn on the basis of race. The judges threw out the results of the March primary and ordered the Nov. 5 special election. *(AP)*

Quote/Unquote

Dick Morris, President Clinton's former political consultant, describing the profession to a class of New York University students during his first prolonged public appearance since he left Mr. Clinton's side after his affair with a call girl was exposed: "It basically requires the ability of an academic and the canniness of a drug pusher." *(NYT)*

Away From Politics

• **City Council leaders in New York** said they would defeat Mayor Rudolph Giuliani's plan to make it easier for superstores to open in the city, dealing a bitter blow to his most ambitious effort to eliminate regulations that he said discouraged investment in New York. The plan, which would have allowed more than 55 of the warehouse-style stores to open in industrial areas, has been a contentious issue in many neighborhoods where local merchants feared that the stores would put them out of business. *(NYT)*

• **Vincent Gigante, who the authorities** say is the nation's top Mafia boss, has undergone coronary surgery, putting in doubt his fitness to stand trial in New York in March on murder and racketeering charges. Mel Granick, a spokesman for Mount Sinai Hospital in Manhattan, where the operation took place, said Mr. Gigante, 68, was "in critical condition and under intensive care." *(NYT)*

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ASIA/PACIFIC

From Shipowner to Colony Ruler

Media-Shy Tycoon Flowers Into Charismatic Leader

By Maggie Farley
Los Angeles Times Service

HONG KONG — *Tung Chee-hwa, the shipping magnate who was named to become Hong Kong's first post-colonial ruler Wednesday, thought until recently that he was unqualified for the job.*

Protesting that he was a businessman and not a politician, and that he did not understand the aspirations of Hong Kong's people, Mr. Tung, 59, waited until the last minute to declare himself a candidate to lead the territory after China reclaims it from the British on July 1.

But in the nearly two months since he joined the small circle of nominees for the top job, the once-discreet, media-shy tycoon emerged as a charismatic politician who strangely appeals to international leaders, Hong Kong people — and the powers in Beijing.

Swept away from a cheek-to-cheek pose with Miss Hong Kong 1996 by a crush of cameras, he laughed when asked if he still wanted the top post. "I'm learning. I'm getting used to it," he said.

There's no doubt it is a difficult position. The first leader of post-colonial Hong Kong must balance the hopes of Hong Kong people, who will be testing new limits after the takeover, and the demands of Beijing, which values control above all else. He must reassure investors that Hong Kong will remain an international economic and legal refuge, while satisfying China that dissidents and those who disagree with Beijing's policies on Taiwan and Tibet have no place here.

The intrigue of Mr. Tung is his apparent promise to pull it off.

From the day in January he received a king-making handshake from President Jiang Zemin of China, to laudatory comments from Hong Kong's British governor, Chris Patten, to his meeting last week with a U.S. assistant secretary of state, Winston Lord — who did not see the other two candidates — Mr. Tung repeatedly gleaned endorsements from people who seem to agree on little else.

"He's eager, affable, listens well and is smart. He knows everything about business," said Senator Dianne Feinstein, Democrat of California, who has gotten to know Mr. Tung on trips through Hong Kong and during talks on China policy at the Center for Strategic and International Studies in Washington. What is critical, she advised him on a recent trip here, is that he reach out to the average people and prove to them that he — not China — will be running Hong Kong after 1997. "Ultimately," Ms. Feinstein said, "that will make for his success."

Mr. Tung is a fast learner. He went from a brusque, reluctant candidate to a sudden man of the people. On televised visits to housing projects, he appropriated Mr. Patten's best lines and greeted throngs of well-wishers with the two-handed grasp that is President Bill Clinton's trademark.

The effort paid off: Mr. Tung switched top places in popularity polls with the likable but distant former Chief Justice, Ti Liang Yang, 67, who announced his candidacy from a yacht. Peter Woo, 50, a banker, who some said appeared too slick for man-in-the-street appeal but was the first to open the campaign to the public by publishing his platform, was at the bottom of the ratings.

But even as Mr. Tung walked the back streets of Hong Kong, his platform had been right in step with China's party line. He accused Hong Kong's largest, most popular political group — the Democrats — of being anti-China. He said the media should remain free but should not "go stirring up all that muck." He thinks the Communist Party should be legalized in Hong Kong and that the territory "should be prepared to make sacrifices for China."

"What he says would cause an uproar if it were coming from some stiff party member," an observer said. "But somehow coming from his mouth, it seems nearly palatable."

For Mr. Tung, the position of chief executive has special significance. He was born in 1937 on China's Zhoushan Island, about 730 miles (1,170 kilometers) northeast of Hong Kong — one of the first pieces of Chinese land seized by the British, in 1841. Being chosen to oversee Britain's relinquishing of Hong Kong to China as chief executive will represent a sweet historical irony.

"My father used to teach me that I'm a Chinese and should be proud of it," Mr. Tung said. "He also taught me to do worthwhile things."

Mr. Tung is bound to China in less obvious ways, some fear, pointing to a Chinese bailout of his financially troubled family business in 1985. Orient Overseas, the family shipping empire, over-ordered during a slowdown in world trade in the 1980s and was about to default on almost $3 billion in loans.

Bankers insisted on an injection of new investment before refinancing, and after Taiwan rejected Mr. Tung's appeal, China came to the rescue in the form of $120 million funneled through Henry Fok, the Hong Kong tycoon, in exchange for 8 percent of the company.

The Chinese backing was not disclosed until Mr. Tung announced his candidacy in October, a revelation that reinforced concerns that Mr. Tung may be in thrall to Beijing — if not financially, then out of patriotic gratitude for the last-minute rescue.

Manuel Cuartas/Agence France-Presse

Lee Chuk-yan, a Hong Kong legislator, shouting slogans Wednesday during a protest of the selection process for the first post-colonial chief.

HONG KONG: *The New Helmsman*

Continued from Page 1

closest rival, Yang Ti Liang, a retired chief justice. Peter Woo, a businessman, got 36 votes, and two ballots were spoiled.

Mr. Tung, 59, was easily the most conservative, and by far the most pro-China, of the three candidates, consistently taking positions that would please Beijing's leadership and criticizing local democrats for an approach he considers confrontational and unpatriotic to China.

In interviews and remarks leading up to his selection Wednesday, Mr. Tung warned foreigners not to use Hong Kong as a base to sow dissent in China after 1997, and he has promised to reinstate anti-subversion laws being dismantled by the colonial government.

He has also said anyone advocating independence for Tibet or Taiwan would not be allowed to remain in Hong Kong after China takes over. He openly backs Beijing's controversial plan to dismantle the elected legislature and replace it with a handpicked panel — a move that democracy advocates say would be a violation of China's treaty commitments with Britain governing the turnover.

On expanding Hong Kong's nascent democracy, Mr. Tung has been quoted as saying, "I'm fairly cautious, taking each step at a time."

He told one interviewer, "I would imagine during the first five years, the stress will be on stability," and he said that only during his second term, which would not begin until 2002, should Hong Kong start "to review beyond 2007 what kind of political process we want."

"Politically, he's very conservative," said Yeung Sum, the Democratic Party's vice chairman. "We still hope to develop a working relationship with him."

Mr. Lee said he hoped Mr. Tung's earlier, hard-line statements were "just campaign talk," and that now, as China's official chief executive designate, Mr. Tung would open a dialogue with the party that won by far the most popular votes, and the largest bloc of legislative seats, in the democratic elections last year.

"His victory is no surprise to anyone," Mr. Lee said. "We hope that Mr. Tung can prove himself to be better than the electoral system that produced him."

"Hong Kong people expect him to be able to defend our system," he said. "We do not expect him to be Beijing's spokesman."

Mr. Tung now faces a tricky political balancing act as he navigates between the various and often-competing interests crossing through this prosperous territory.

In his dealings with China, Mr. Tung must be able to fend off the myriad of sometimes conflicting mainland institutions all angling for power and influence in the future Chinese-run territory — and those include the Chinese Foreign Ministry, which will be moving into a new multistory office building now under construction; Xinhua, the state press agency, which has acted as Beijing's de facto representative in Hong Kong; and the Chinese Communist Party, which will probably place a senior political commissar here after 1997.

Mr. Tung must also be able to play to various audiences, being able to say the right things to each, because now his every word will be carefully monitored. One audience includes his bosses in Beijing, who may need reassurance that he is tough enough to protect China's interests in stability.

But another audience, the local Hong Kong community, will be looking for reassurances that he is not simply a "yes man" to China. Another audience still is the international community, including Britain, which also will be on the constant lookout for any sign that Hong Kong's Westernized system is under threat.

One executive, involved in real estate and banking, said he thought Mr. Tung was the best-positioned to be China's top man in the territory because his conservative, tough talk would be enough to allow China's Communist leadership to leave Hong Kong alone.

"It's O.K. if you push," he said, "but if you push too hard, you will force Beijing to react with a heavy hand. If you are smart, you don't need to push, and you'll still get what you want."

Hong Kong police said 29 people were arrested for obstructing traffic and obstructing the police during the demonstrations outside the convention center. Among those arrested were Emily Lau, an independent member of the legislature and one of China's staunchest critics. All were released on bail after about three hours.

As the scuffles went on outside, Foreign Minister Qian Qichen of China was inside the hall congratulating the selection committee. "You are writing the history of Hong Kong," he said. "This is the first time there has been such a democratic election for chief executive in Hong Kong's history."

Amid Continued Protests, Burma Blames Dissident

Compiled by Our Staff From Dispatches

RANGOON — *Small protests sprang up around Rangoon on Wednesday, and Burma's government blamed colonial "lackeys" in its first official reaction to the recent wave of unrest.*

More than 200 students staged sit-ins at a dental school in central Rangoon and a medical school dormitory, and residents reported pockets of protest in other parts of the city.

But three days of school closures and a heavy military presence seemed to be sapping the new student movement's strength.

The nearly weeklong protest demanding a student union and an end to alleged police brutality has been the strongest challenge to Burma's military government since a nationwide uprising in favor of democratic rule in 1988.

With troops guarding the universities, the students' natural gathering points have been blocked. Eighteen troop carriers also were stationed near the golden Sule Pagoda in the capital, the rallying point for protesters in the 1988 uprising.

In a speech published Wednesday in state-run newspapers, General Than Shwe, the most powerful member of Burma's military regime, accused Daw Aung San Suu Kyi, the pro-democracy leader, of inciting the students to protest.

He made the accusations in a speech Tuesday to the Union Solidarity and Development Association, a military-sponsored social organization that Daw Aung San Suu Kyi has compared to the Hitler Youth.

"Destructive lackeys of the colonialists are trying to use students in their bid to gain political power," General Than Shwe said. He did not refer to Daw Aung Suu Kyi by name, but military officials frequently call her a colonial lackey because she is married to a British academic.

She and the students have denied working together, although both parties acknowledge they are fighting for some of the same goals.

Burma also charged Wednesday that the United States was seeking to use restrictions on Daw Aung San Suu Kyi's movements as an excuse to impose sanctions on the country.

The U.S. Embassy denied the accusation.

A Burmese official said, referring to Daw Aung San Suu Kyi: "The U.S. Embassy has tried to bring her outside, knowing that it will be refused. I can see the trend is definitely heading toward creating more pressure for sanctions."

The official repeated the request of the governing State Law and Order Restoration Council for her to stay in her home temporarily, saying concern for her safety was the reason. (AP, Reuters)

Romeo Ranoco/Reuters

SEASONAL TRAFFIC — A Filipino street vendor hoisting a Christmas tree Wednesday in the Makati financial district of Manila as he displayed figures of Santa Claus and his reindeer for sale.

Time of Change In North Korea?

Reuters

WASHINGTON — *The director of the Central Intelligence Agency, John Deutch, predicted Wednesday that within three years North Korea would be at war with South Korea, collapse as a state or be on the road to reunification.*

"How that proceeds between those three directions will be resolved in the next two or three years," he said. He told the Senate Select Committee on Intelligence that he considered it "uncertain" which way North Korea would go.

If the North invades the South "over one issue or another — war will break out," he said. "Or it will collapse internally or implode because of the incredible economic problems." Third, he said, the North "will over time lead to some peaceful resolution and reunification with the South."

Mr. Deutch's appearance before the committee was one of his last acts as chief of the CIA. President Bill Clinton has nominated his national security adviser, W. Anthony Lake, to take over the job.

BRIEFLY ASIA

Policy Plan From Thai Leader

BANGKOK — *Thailand's new government singled out the revival of the economy and political reform as its key objectives Wednesday, but critics said the policy declaration lacked details and a time frame for results.*

In a speech to Parliament, Prime Minister Chavalit Yongchaiyut said a priority of his week-old government would be to restore confidence in Thailand among local and foreign investors put off by economic and political difficulties.

Mr. Chavalit also pledged to speed up political reform, including a revision of the nation's constitution and a tightening of election rules to curb vote-buying.

Nearly 3,000 candidates nationwide are running in the election next week to fill the 76-member assembly that will draft the new constitution. Once the assembly starts work, it must complete the new charter and related laws within 18 months. (Reuters)

A Pact to Share Ganges Water

NEW DELHI — *India and Bangladesh reached agreement Wednesday on sharing Ganges River water, which has vexed relations between the two nations for years.*

"I wish to place on record my profound satisfaction at the agreement we have just reached on the sharing of the Ganga waters," India's prime minister, H. D. Deve Gowda, said at a banquet for Bangladesh's prime minister, Hasina Wazed.

Sheikh Hasina said she hoped the agreement would be a first step toward solving other problems between the two countries. (Reuters)

4 Singapore Legislators Fined

SINGAPORE — *Singapore's Parliament on Wednesday accepted a recommendation by a committee to fine four opposition leaders a total of 51,000 Singapore dollars ($36,450) for contempt of Parliament involving misleading health spending figures.*

The secretary-general of the Singapore Democratic Party, Chee Soon Juan, was fined 25,000 dollars. Three other party members were fined between 5,000 and 13,000 dollars.

The committee found that Mr. Chee had fabricated data and falsified documents submitted to a select committee on health and misled the committee when it challenged the figures.

A Democratic Party document submitted to the health committee in August claimed that the government's share of total health expenditure had dropped to 5 percent in 1990 from 40 percent in 1970. The 1990 figure was incorrect and should have been 25.4 percent, the party later admitted. Mr. Chee told the committee the figure was a typing mistake and a result of human error. (Reuters)

VOICES From Asia

Ali Alatas, Indonesia's foreign minister, condemning a television appearance by President Jorge Sampaio of Portugal, who criticized Jakarta over human rights in the former Portuguese colony of East Timor: "How can the president of a nation that is known throughout the world as the worst colonizer and the worst decolonizer without embarrassment struggle for human rights?" *(Reuters)*

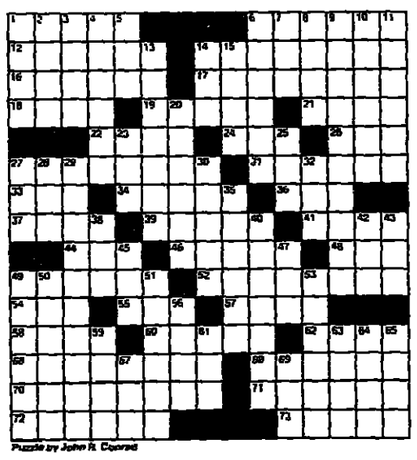
CROSSWORD

ACROSS

1 Recording session need
6 Direct
12 Task
14 Feminist Smeal and others
16 U.P.S. customer
17 Classical language
18 Got ready to drive, with "up"
19 Dress up
21 Boy preceder
22 Rob of "About Last Night . . ."
24 Flemish composer — — Pres
26 Part of H.M.S.
27 Engrossed
31 Idolize
33 Vitamin stat.
34 Ricochet
36 Publicize
37 Shows curiosity
39 Gosh-darn
41 Freshly
44 General-turned-politician
46 Passover feast
48 "Die Meistersinger" heroine
49 "—— Tune" (50's TV theme song)
52 Redirected
54 Reprint necessity: Abbr.
55 Apollo vehicle, for short
57 Lots
58 Ergo
60 Copy
62 Heart and soul
66 Brush up again
68 Stop, as a flow
70 Partner for "so near"
71 Inveigle
72 Strangers may get them
73 Skipped, as in printing

DOWN

1 Most vague
2 Trap
3 English composer Thomas
4 Row
5 From S.F. to Wyo.
6 Thomas Jefferson's Declaration role
7 Alliance headquartered in D.C.
8 Duranie's "—— Dinka Doo"
9 Yankee
10 More banal
11 Uncomprehending response
13 Fails to remember
14 "Que es ——?"
15 Old kitchen supply
20 Some combines
23 Fabled monster
25 Richard Henry Dana subject
27 Author Levin
28 Hosp. workers
29 Recompensing
30 Lovingly cared for, with "on"
32 By way of
35 Intimate term of address
38 Schuss
40 Beach party game
42 Christmas ——
43 Wallet/ful
45 Sushi order
47 Down Under critter, informally
48 Contestant's application
50 Cobble again
51 Font embellishments
53 Neglected, as beds
56 Southwestern desert feature
59 Mediocre
61 Sentence part: Abbr.
63 Plenty: Var.
64 —— evec
65 Something to fill in
67 —— Sabha (Indian legislature)
69 Addr. book entry



Puzzle by John R. Coonse

© New York Times/Edited by Will Shortz

Solution to Puzzle of Dec. 11

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DAEWOO: *Seoul Inc. Waves Stick at Paris*

Continued from Page 1

The letter, signed by Whang Jung Hyun, chairman and president of the federation's secretariat, and addressed to Dominique Perreau, France's ambassador to South Korea, demanded "that appropriate steps be taken by your government to redress the matter."

The steering committee of the federation, made up of the chairmen of South Korea's 25 largest chaebol, or conglomerates, many of them often in bitter competition with one another, agreed on the letter after waiting to see the French response to Daewoo Electronics' initial protests against the cancellation.

The letter was thought to mark the first time the federation's leaders had unanimously demanded that a foreign government reverse a business decision. The phrase in the letter recalling the "TGV and other major projects" was a reminder that three and a half years ago, South Korea awarded a $22 billion contract to GEC Alsthom to build a TGV line between Seoul and the southern port city of Pusan.

Daewoo Heavy Industries, another major company in the Daewoo group, and Hyundai Precision & Industry, one of the key companies in the Hyundai group, are at the forefront of a consortium of Korean companies involved in the TGV project.

French companies, including Framatome and Dassault Aviation, were — at least until the suspension of the Thomson deal — in the running for contracts to sell nuclear power plants and fighter planes.

The letter, released in English, French and Korean-language versions, strongly suggested that France could forget about such deals and might even encounter problems on the TGV project if it held to its decision on Thomson.

"In particular, we have witnessed an increased level of high-tech cooperation as well as a welcome diversification of the sectors of cooperation," the letter said. "We take pride in the fact that France has been one of the favorite investment locations in Europe among Korean firms."

For those reasons, said the letter, "the timing of your government's decision is unfortunate."

But the letter also said: "In particular, we are concerned that many Korean corporations are closely watching the current situation as it unfolds. We hope that the credibility of the French government in the eyes of the Korean business can be maintained at all costs."

In Seoul, Nam Kwi Hyen, vice president of Daewoo Electronics, said the company was still hoping France would reverse its decision. "We still want to take Thomson over," he said.

Patten's Reminder: He's Still Boss

Reuters

HONG KONG — *Governor Chris Patten reminded Hong Kong's leader-in-waiting on Wednesday that he was in charge until the stroke of midnight June 30, but he indicated that he was willing to lend a hand to ensure a smooth handover to China.*

"We are both, of course, agreed that I am responsible for the administration of Hong Kong until June 30 next year and after that he is responsible," Mr. Patten said, referring to Tung Chee-hwa, who was voted in as chief executive-designate after the British handover of China.

"And I will not during the course of the next months seek to interfere in any way in matters which are properly his responsibility as the chief executive after July 1 next year."

Mr. Patten said Mr. Tung would face challenges and difficulties as Hong Kong's leader but added he would have "the good wishes of the community."

"But I am sure he will do the job well, standing up for Hong Kong's autonomy, which is of course essential," Mr. Patten said.

"I am sure the whole community will also hope that he will stand up for Hong Kong's rule of law and stand up as well for all those things which have made Hong Kong so successful over the last few years."

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HH President Sheikh Zayed bin Sultan Al-Nahyan

Architect of the UAE

25 years of service built upon honour, integrity and respect.

On December 2, 1971, the United Arab Emirates was established as a newly-formed federation of states under the prudent and benevolent guidance of His Highness the President Sheikh Zayed bin Sultan Al-Nahyan. It was the start of a challenging and exhilarating voyage of self-discovery and development for this fledgling nation.

During the last twenty-five years, fired by the imagination and vision of the Ruler, HH Sheikh Zayed, the UAE has become a key participant in the affairs of the GCC region and beyond. At the same time, the UAE's importance as a trading partner with both the industrialised and developing countries of the globe cannot be over-emphasised.

For each and every citizen it has been a momentous journey towards the creation of one of the most modern and progressive states in the region. It is difficult to believe that so much has been achieved in such a comparatively short time – and in the face of challenging conditions, both economic and political. HH Sheikh Zayed's firm but forgiving touch is evident in every aspect of the Emirates' development – from the soaring skyline and bustling commercial activity, the state-of-the-art communications systems and social welfare programmes, to the advanced industrial infrastructure and an education system fully attuned to the needs of future generations.

Furthermore, it is a testimony to the prudence and imagination of the Ruler that prosperity and stability have been achieved without sacrificing traditional values and a rich cultural heritage.

Firm Foundations for Nationhood

Born in the oasis settlement of Buraimi, HH Sheikh Zayed has witnessed a series of far-reaching changes in the world order as well as that of the Gulf. His early travels to Europe gave him an insight and breadth of vision which have served him well. He has frequently been quoted as saying that the economic and political systems of the world are inextricably linked and that no country, or group of countries, can live and develop in isolation. Indeed, his partnership with the people of the UAE has been significantly enhanced by the many and varied contributions by people of other nationalities from around the world.

In 1946 HH Sheikh Zayed was appointed Governor of Al-Ain, an historic settlement where evidence of settled civilisation has been traced back to the fourth millennium BC. During the twenty years of his governorship, the transformation of Al-Ain was spectacular. The ancient irrigation systems were revitalised to create a flourishing agricultural and horticultural industry which now meets over 40% of local demand for fresh fruit and vegetables. Such achievements and initiatives have served as an effective blueprint for the subsequent development of Abu Dhabi and the UAE as a whole.

"The People Are Our Greatest Resource"

Unquestionably oil and gas have played a pivotal role in the development of the country, but it is the determination of the people and substantial investment in developing their potential that have shaped the UAE's formidable record of achievements thus far. In 1982, just eleven years after HH Sheikh Zayed's accession, the first students graduated from the Emirates University at Al-Ain. And it is on the shoulders of these and subsequent graduates, both men and women, that the hopes and expectations of the country rest.

Right: In just 25 years Abu Dhabi has been transformed from a tiny desert settlement into a thriving, modern garden city.

The responses to this challenge are clear for all to see. On the one hand, the nation has broadened its industrial base to complement and, in time, reduce its dependence on the oil industry alone. On the other, the social cohesion and confidence of the people is manifest in, for example, the network of trade links forged, the warm welcome extended to visitors from across the world and the enthusiastic participation in sporting events such as the 1990 World Cup.

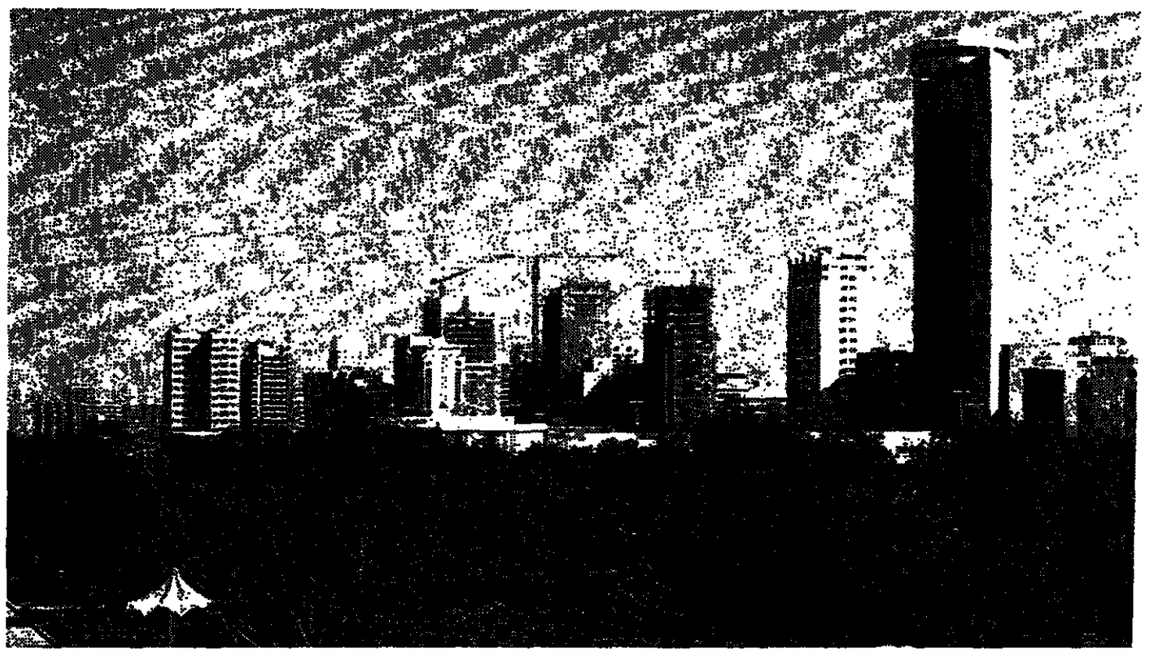
"Building Bridges of Understanding"

In May 1981, HH Sheikh Zayed inaugurated the first summit conference of the six-member Gulf Co-operation Council in Abu Dhabi. The participating nations comprised the UAE, Saudi Arabia, Kuwait, Bahrain, Oman and Qatar. The significance of this event was soon apparent, as each member state sought to establish a firm base for ensuring the security and prosperity of the region, based on trust and a firm commitment to the guiding principles of Islam.

The GCC has provided a vital forum for promoting pan-Arab unity and a conduit through which differences within the Arab world can be resolved through dialogue and mediation. It is a measure of HH Sheikh Zayed's commitment that he, personally, has played a prominent role through personal contact in building lasting relationships across the globe.

"God Will Direct Our Steps"

Speaking at the inaugural meeting of the GCC, His Highness told his fellow heads of state "I pray to God we shall succeed in our work and that God will direct our steps in achieving the aspirations of the people." These words indicate both the humility and statesmanship with which the Ruler inspires his people to work as one for the common good.



Seven years after the establishment of the GCC, the Paris-based Man of the Year Organisation voted the President the Most Prominent Personality of 1988, citing the part he had played in ending the eight-year conflict between Iran and Iraq and the restoration of ties with Egypt.

Integrity and Honour

The early 1990s were difficult times both for the nations of the region and for HH Sheikh Zayed personally. The Gulf Conflict proved a testing and traumatic experience for all the countries of the region, and placed a huge financial burden on those involved.

For Sheikh Zayed, events surrounding the BCCI episode have proved to be the most traumatic in his thirty years as Ruler of Abu Dhabi. A man who has given so much to his country and his people, His Highness has always remained committed to ensuring that depositors are fully compensated in the wake of the closure of the Bank of Credit and Commerce International.

Throughout this difficult period, His Highness Sheikh Zayed has withstood all attempts to discredit his name. Despite the malicious stories surrounding the BCCI affair, his honesty and stature have steadfastly refuted such unfounded allegations.

By the late 1980s the situation at the bank had deteriorated to such an extent that the Ruler and his government were obliged to intervene, as a matter of honour, to protect the interests of hundreds of thousands of small depositors in the UAE and elsewhere in the world.

After a further five years and a commitment of more than US$5 billion, HH President Sheikh Zayed has succeeded in settling the claims of all small investors in the UAE. It was widely reported in the local press that these depositors will be paid in full before the end of the year. Other secured creditors of the former Bank of Credit and Commerce International can also expect their first dividend of 24.5% by the year end, according to a statement issued in Luxembourg by the bank's liquidators.

Before long the real story behind the BCCI affair will emerge and the truth will be seen to prevail. Above all, His Highness Sheikh Zayed remains a beacon of integrity and honour to his own people and the community at large. He has always stood out as an anchor of hope for the small depositors, a hope he has fulfilled by his insistence on a satisfactory resolution to the whole episode.

A Cause for Celebration

This month marks not only the twenty-fifth anniversary of the formation of the United Arab Emirates, but also HH Sheikh Zayed's thirtieth year as Ruler of Abu Dhabi. It is a period in which a nation has grown from nothing to one of the most modern and socially cohesive countries in the region. According to the World Bank, the UAE now ranks number 12 in the world in terms of per capita income. This astonishing achievement will be cause for gratitude and celebration by many – the nation's 2.2 million citizens, the thousands of expatriate workers who have contributed and more than 1.5 million visitors who come each year to sample a taste of what the future holds in store. They will all enjoy the fruits of one man's vision – that of HH Sheikh Zayed bin Sultan Al-Nahyan.

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'Who's Who in Europe Survey' 1996

(Who are we to argue?)

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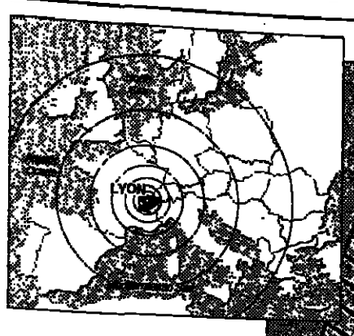
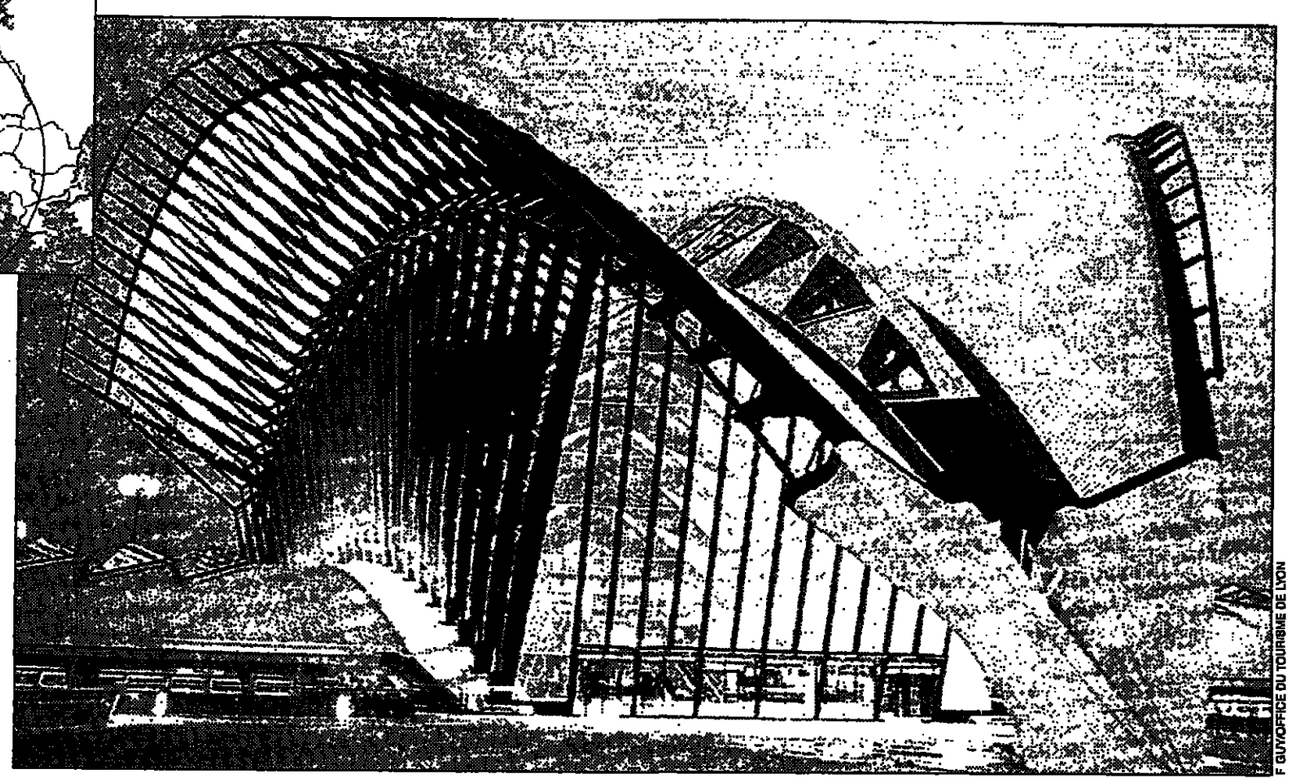




F. GUYOPPIDE DU TOURISME DE LYON

Taking Care Of Business

Lyon's forward-looking approach is exemplified by its state-of-the-art transport links (including its high-speed train station, right). For multinational companies, Lyon offers an attractive base for industry and research.

A City of Singular Advantages

France's second city is a front-runner in attracting European and international activities.

Lyon is not Paris, but it doesn't want to be. Paris is an international capital and the undisputed urban center of France. Lyon is France's second city in terms of size, and might be termed a European capital. While it has all the advantages of a major metropolitan area, it is free of many of the drawbacks.

The advantages include efficient transport links to the rest of Europe and the world; top-flight universities and research facilities; thriving chemical, pharmaceutical and material industries; a healthy economy; a skilled workforce; and an easygoing lifestyle with a wealth of nearby recreational and sports attractions.

Since Roman times

The location of this lovely city at the confluence of the Rhône and Saône rivers inspired the Romans to set up their Gallic base there in 43 B.C., and today many European and international companies and organizations are following their example and using Lyon to establish a strong base in Europe. The city is especially well-placed for easy access to Southern Europe – northern Spain, southern France, northern Italy and Geneva.

Recent developments have made the area even more attractive as a European center. This month, it was announced that two new runways would be added to the Lyon-Satolas International Airport, where a TGV (high-speed train) station opened two years ago. A new conference center opened in October 1995 at Cité Internationale, the city's new business, arts and entertainment complex, and a new research institute for the cognitive sciences is being built.

Already well-served by the sophisticated French highway network, Lyon will become even more accessible when new roads in the north of the city and a ring road now being built are completed in mid-1997.

From this strong regional base, Lyon is reaching out to the world. A variety of international companies and organizations has chosen the city as a center of operations in recent years, among them Hewlett-Packard and Interpol. JETRO, the Japanese trade development organization, has offices in Lyon, as does the Korean Center for Foreign Commerce.

One recent arrival in Lyon is the Aspen Institute France, an international organization based in Washington, D.C. The institute advises world decision-makers on important issues and organizes high-level conferences and seminars in informal settings. In 1994, it chose Lyon for its French headquarters.

Says Director Jean-Christophe Bas, "For an organization with an international vocation like Aspen, having a solid base is essential. Thanks to the strong support we receive here from the regional leaders and the local economic, academic and cultural players, we can reach out to the world."

For Dominique Nouvellet, director of the capital-investment company SIPAREX, the major advantage of its location in Lyon is that "the Rhône-Alpes region is particularly rich in successful small and medium-sized companies."

Jean Freidel, president of Unitex, the professional organization of the region's textile industries, also stresses the importance of the local small and medium-sized companies. He points out that 80 percent of French textile design is done in Lyon.

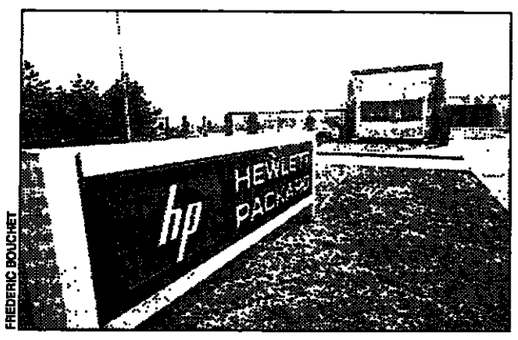
Lyon's visibility and image on the international stage were greatly enhanced by the summit meeting of the G-7 world leaders in June this year. Thousands of journalists transmitted stories about and photographs of Lyon back home, allowing people all over the world to discover the city.

In 1998, Lyon will be one of the hosts of the soccer World Cup, and the city is upgrading its stadium in anticipation of the event, which will once again put it in the international spotlight.

Robert Maury, director of ADERLY, the economic development agency for the Lyon region, points out that the next three years are key for the future of Lyon and France. "With the expansion of Satolas and the upcoming airline deregulation," he says, "the airport will play an increasingly important role. And with European Monetary Union in 1999, there will be more possibilities for European cooperation."

Mission to facilitate

ADERLY's mission is to promote the Lyon region in Europe and abroad and to attract inward investment. ADERLY works closely with companies wishing to establish a base in the area, studying their needs and finding the right solutions. Because Interpol, the international police organization, for example, was concerned about the education of its multinational employees' children, ADERLY saw to it that an international school was opened in Lyon.



FREDERIC BOUCHET

The organization also works as a welcoming committee for companies and their employees when they arrive in Lyon. Its services are free.

Interpol and other organizations setting up in Lyon, like Euronews, the European news channel, also appreciate the quality of life in the city, with its less-congested roads and easier parking than in Paris; nearby Alps, Mediterranean and countryside; highly developed cultural life (theater, dance, opera, museums, etc.); and world-renowned gastronomy. ●

Mayor Barre's Future Visions

Raymond Barre, a former prime minister of France, was elected mayor of Lyon in June 1995 and was first elected a *député* from the city in 1978. In the following interview, he discusses his priorities as mayor of Lyon.

What are the strong points of Lyon as a base for business and industry?

Lyon has a centuries-old industrial tradition, and commercial exchanges also form an important part of the city's heritage. These are the sources of a dense industrial and commercial network led by internationally known companies – in the fields of chemistry and pharmaceuticals, for example – but also by an active network of small and medium-sized enterprises that devote a good deal of their activity to research and development and are successful exporters.

On the brink of the 21st century, my goal is to make Lyon a city on a level with Milan in greater southeastern Europe, whose future is so rich in promise.

Did the G-7 meeting improve the image of Lyon in the eyes of the world?

There is no doubt about it, and the figures prove it. During the summer of 1996, tourism was down in the Rhône-Alpes region, except in Lyon, where it increased. We are also seeing in-creased demand for international conferences, which testifies to the quality of our infrastructure and our ability to handle the logistics of large gatherings.

Has Lyon benefited from efforts to decentralize power away from Paris?

Over the past 14 years, Lyon has benefited from the relocation of a certain number of decision-making centers and important headquarters, like those of Interpol, Euronews, the International Agency for Research on Cancer, the Agence du Médicament, the national services of the Police Technique et Scientifique and the Ecole Nationale Supérieure des Arts et Techniques du Théâtre.

Since June 1995, we have had other successes that are most gratifying. The Ecole Normale Supérieure des Lettres de Fontenay/Saint-Cloud, for example, will open its doors in Lyon in the year 2000.

These relocations are extremely important for the city. They bring us recognition and help us to strengthen the influence of Lyon in Europe and consolidate the city's position in the "Southern European arc," which opens onto the Mediterranean and benefits from close relationships between the major regional cities. I would like to see these relationships become stronger in the years to come so that the people of Lyon can benefit from a city that is open to the world – a modern, successful city that they can be proud of. ●

FREDERIC BOUCHET

Hotbed of Technological Advances

Research, development and high technology are important underpinnings of the local economy.

The development of Lyon's highly sophisticated scientific research and industrial community has its roots in the 16th century, when Italian traders came to the fairs in the strategically located city, bringing with them their silks.

Some of them stayed on and set up silk-making operations. Silk manufacturing became the city's most important industry and employed half of the city's workers from the 16th to the 19th centuries.

Birth of an industry

Research into dyes and other aspects of textile-making led to the growth of chemical and mechanical engineering industries, and today Lyon is home to world leaders in these fields, as well as to companies and research centers specializing in new technologies like nuclear energy, high-tech materials and biotechnology.

The Lyon region's chemical and artificial fiber industry employs 11,000 workers, and the parachemistry and pharmaceutical industry 13,500. Companies active in these sectors include Rhône-Poulenc, Pasteur Mérieux-Connaught, Rhône-Mérieux, Roussel-Uclaf, Atochem and Ciba-Geigy, plus joint ventures with world-class groups like Merck from the United States and Sumitomo from Japan. The metallurgic and mechanical engineering industry employs 52,769, the electric and electronic-construction industry 25,000, automobile manufacturing 15,000 and the clothing and textile industry 20,000.

According to Denis Samuel-Lajeunesse, CEO of Lyonnaise de Banque, industry in the Rhône-Alpes region contributes 12 percent of industrial added value in France. Exports from the region account for 11.3 percent of the country's total and imports for only 9.2 percent.

These industries work in close cooperation with the city's extensive network of research institutes specializing in such areas as chemistry, molecular chemistry, pharmaceuticals, medicine, life sciences, applied mathematics, the environment, textiles, nuclear physics and atomic physics. Among the prestigious research institutes located in the area are the CNRS (Centre National de la Recherche Scientifique), INSERM (Institut National de Santé et de Recherche Médicale), INSA (Institut National des Sciences Appliquées), the Institut Pasteur Lyon and the Université Claude Bernard Lyon I's Institut de Pharmacie Industrielle de Lyon. Altogether, the Lyon region's 450 public research laboratories employ 4,000 researchers, and private laboratories 2,500.

Supplying this formidable industrial and research community with its workforce is Lyon's extensive university system. The city has a student population of 100,000 and is home to 13 *grandes écoles*, France's elite universities.

Out of these research centers and universities come many scientific discoveries that are a boon to humankind. One such innovation that will be of immense benefit is the development of artificial skin at the Institut des Sciences Pharmaceutiques et Biologiques at the Faculté de Pharmacie of the Université Claude Bernard Lyon I. Under the direction of Professors Christian Collombel and Odile Damour, researchers devised a way of enabling a small patch of skin to grow in laboratory conditions. When this artificial skin is applied to burn victims, their own skin grows back over it.

This laboratory, in collaboration with other research institutes, is also conducting research in such diverse areas as the diagnosis of AIDS and hepatitis, bio-security for medical laboratories (to prevent the transmission of viruses from blood samples, for instance), detection of drug use by athletes (in cooperation with the medical commission of the International Olympic Committee) and conditions for organ transplants.

Laboratory culture

The headquarters of the International Agency for Research on Cancer, with 16 member countries, is also located in Lyon, which was chosen for its proximity to the World Health Organization's headquarters in Geneva and because of the city's scientific community and universities. "For IARC," says its director, Dr. Paul Kleihues, "it is essential to be able to attract the best scientists from all over the world, and for this the rich cultural life in Lyon, the beauty of the town and the International School are very important reasons." He points out that the WHO unit that advises governments on cancer control policies recently moved from Geneva to Lyon.

IARC conducts and publishes large-scale epidemiological studies, monitoring cancer incidence and mortality and identifying environmental carcinogens like asbestos, benzene, tobacco smoke and infections. It also studies the relationship between diet, nutritional status, lifestyle, environment and the incidence of various forms of cancer – investigating, for example, why breast cancer incidence in Europe decreases from north to south. More valuable work will be coming out of Lyon's new Institut des Sciences Cognitives when its new building is completed in 1998. Seventy French and foreign researchers are to collaborate on the workings of the mind. ●

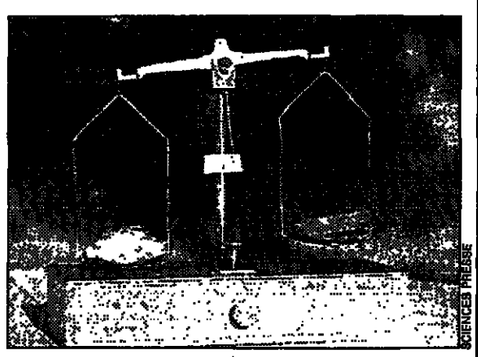
Lightest Solid Yet Discovered

Silica aerogel is low-density super-insulator.

In our jaded age, we no longer expect miracles from science, and we hardly notice the small improvements in our daily lives provided by such innovations as technical fabrics, for instance, which make our clothing lighter, warmer, more breathable and easier to care for.

One of those life-enhancing discoveries was made recently in the Laboratoire d'Application de la Chimie à l'Environnement (LACE) of the Université Claude Bernard in Lyon. After persistent experimentation, Professor Gérard Pajonk and his research team have developed what is currently the lightest solid known to man. What makes this new material exceptional is that it is also transparent. Scientists have long sought to discover an improved heat and sound insulator with the transparency of glass, and this "silica aerogel" may just be the answer.

The substance is composed mostly of infinitesimally small pores – something like a sponge made of glass. These pores lend it its insulating properties. Silica aerogel is 200 to 300 times less dense than glass, but insulates from heat 100 times more effectively. It also acts to block sound waves, which travel 50,000 times faster through glass than through this new material.



SCIENCES PHOTO

Lighter than a feather, or several, is the new "silica aerogel."

There is still some work to be done to perfect silica aerogel. Irregularities in the surface of this revolutionary material give it a slightly bluish tint that is barely noticeable. It is more fragile yet more supple than glass and takes on a milky cast from humidity in the air. These peculiarities can be avoided, however, by enclosing it between two plates of glass, and its insulating properties can be taken advantage of for such applications as use in oven doors and windows.

FREDERIC BOUCHET

The ESC is one of France's grandes écoles.

A Top-of-the-Line Business School

Lyon is home to one of Europe's leading management education and research centers.

Founded in 1872, the Groupe ESC Lyon, or the Lyon Graduate School of Business, is one of France's *grandes écoles*, the country's elite institutions of higher education. ESC has three major fields of activity: graduate management education, management development, and research and development. Courses are offered in French or English, depending on the student's linguistic ability. Its Centre des Entrepreneurs has contributed to the creation of more than 150 businesses in the region.

In September 1997, the school will launch a new two-track program for its Cesma MBA. The full-time Cesma MBA is an intensive course designed for managers able to make a one-year commitment. According to Patrick Molle, the director of Groupe ESC Lyon, this option might appeal to "foreign managers hoping to occupy an international position and to strengthen their linguistic and cultural background by spending a year in France, or French managers on sabbatical or in a stage of career conversion."

The part-time Cesma MBA, meant for working managers, is the same program spread over a two-year period. Classes are held at the end of the week and on weekends every other week, with an additional four weeks of seminars and workshops per year. The course stresses personal development, international and intercultural issues, and entrepreneurship. It is headed by an Englishman, Gordon Shenton, dean of academic programs.

Located in Ecully, a suburb just outside of Lyon, ESC's ultramodern campus counts 1,035 students, 850 of them seeking a master's in management, 60 studying for the Cesma MBA, 80 for specialized masters degrees and 40 in the doctoral program. Forty-five percent of the students in the Cesma MBA program come from outside France, representing 16 countries. ●

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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
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A Presidential Duty

Bill Clinton now is in a position to perform an enormous public service that would cost him almost nothing and likely gain him a great deal, both substantively and in the history books. In his State of the Union address and budget message, if not before, he should announce his support for a reduction in the annual cost-of-living adjustments that cause Social Security benefits to move marginally up each year while holding income taxes down.

The statement ought not be of the pussy-footing variety that you now hear from both parties: We'll do it, or at any rate entertain the notion of doing it, but only if you, the other side, go first. The politics are at a kind of tipping point where neither side wants to be blamed for doing the thing or blocking it, either one. The president needs to cut through all the circling of the subject by providing both sides with the necessary political cover. He is the only one who can do so; that's one of the things that presidents are for.

We need to reduce the long-term deficit in a way that is fair, not fake, and likely to last, he should say. A fair and durable plan will spread the burden across pretty much the entire population, rather than putting a disproportionate, unrealistic and in the long run unsustainable share on only a particular part of the budget or group of beneficiaries. The easiest way to achieve such a spread is to limit the automatic cost-of-living adjustments now enjoyed by both Social Security beneficiaries and income tax payers. Their parts of the budget deserve to be off limits no more than any other.

We need the money; it can be done in such a way as not to harm the poor; and it would be the right thing to do even if economists were not telling us, as they are, that the current system of adjustment overstates the cost of living. That merely makes a modest reduction in the system fairer still. That's what he ought to say.

He ought to add that, in the process, we should neither tamper nor appear to tamper with the consumer price index or any other measure of inflation published by the government. The official inflation estimate should neither be, nor be suspected of being, the result of political pressure. Rather than lean on the Bureau of Labor Statistics to change the measure and take the heat, we should have the courage ourselves to make more selective use of it and defend what would be our altogether defensible decision to the voters. Thus Mr. Clinton could speak.

Our own sense is that both parties would leap to take advantage of the opening. There would be some skirmishing around the edges about how to use the proceeds of the step; everyone would have pet projects to be funded, or protected from the budget-cutting that would remain. But in the end it would be possible to produce a rational deficit reduction plan that did not — for example, as both parties' plans did last year — presuppose cuts of up to a third in real terms in the catch-all sixth of the budget that funds everything from tax collection and federal law enforcement to Head Start and highway grants and the maintenance of national parks. A cut of that depth, as just about everyone understands, will never happen, nor should it.

A slowing of the cost-of-living escalators now embedded in the budget won't completely solve the long-term problem. There still will be the question of how to support the baby boomers in their retirement — how to pay their likely health care costs in particular. Further adjustments in the great building blocks of the budget — Social Security, Medicare and Medicaid — still will be required. But there will be added time and room to make them.

The president ought to take the big first step toward easing the cost-of-living adjustments. He can legitimize it. If he doesn't, it may not happen; if he does, it likely will. He would elevate himself and his office alike if he did so; our guess is that, in the end and perhaps even at the outset, the step would prove to be good politics. It would have the great additional virtue and advantage of being right.

—THE WASHINGTON POST.

Plutonium Policy

The Clinton administration is taking a reasonable if controversial approach toward solving a worrisome problem caused by the dismantling of nuclear weapons in Russia and the United States — how to get rid of thousands of plutonium "pits" from the warheads that are rapidly accumulating in each country. America will need to dispose of more than 50 tons of excess plutonium. Russia has an even greater stockpile. Until these basketball-sized nuclear cores, now under guard at selected sites in each country, are somehow neutralized, they pose a double threat. Either nation could reverse the course of disarmament and stick the warhead plutonium right back into new weapons. Or thieves, especially in economically distressed Russia, might steal some pits for use in bombs by terrorists or renegade nations.

The administration has been reviewing dozens of possible solutions, ranging from firing the plutonium into space to burying it in holes so deep as to make the material virtually irretrievable. This week the Energy Department announced two preferred alternatives that will be explored more thoroughly in a "dual-track" approach over the next two years. One is to mix the plutonium with highly radioactive nuclear wastes and vitrify the material into glass or ceramic logs, making it difficult, costly and dangerous to extract the plutonium. The other is to convert the plutonium into a mixed-oxide fuel that can be burned in nuclear power reactors, a process that leaves a form of spent fuel that is also difficult, costly and dangerous to reprocess.

The department's announcement ignited fierce opposition from some private anti-nuclear groups that see an unwarranted retreat from a two-decade-old American policy against the use of plutonium in civilian reactors. That policy was designed to discourage widespread trafficking in plutonium lest it fall into the hands of rogue bomb makers. The critical groups believe that the United States should pursue only a single approach, mixing the plutonium with wastes in molten glass for ultimate burial. They oppose the creation of any fuel-fabrication plants in Russia or America that would create long-term momentum toward a plutonium fuel cycle. They urge Washington to send a strong signal to the rest of the world that plutonium should be treated as a dangerous waste, not a valuable fuel.

But this is a complex and difficult issue for which there is no perfect answer. Indeed, many arms control experts and groups that were architects of the long-standing American policy against plutonium as a reactor fuel now favor the Energy Department's dual approach. They argue, persuasively, that the risks can be controlled and that the goal of getting rid of surplus warhead material in Russia, which refuses to bury its own plutonium in the form of waste, is of overriding importance.

The rationale for pursuing the dual-track approach is partly technical, to provide insurance in case one approach or the other fails to pan out. But it is also based on diplomatic considerations of how best to influence the Russians. Leaders of the Russian nuclear establishment regard their plutonium as a national energy resource and are adamantly opposed to burying it as waste. There is a real danger that they will either sit on the plutonium indefinitely, leaving it vulnerable to theft or reconstitution into weapons, or will turn it into reactor fuel with the help of European nations that are dedicated to spreading plutonium technology and not much worried about the bomb-making implications.

The United States must make clear that using reactors to rid the world of loose military warheads does not signal an end to American opposition to a plutonium fuel cycle for power reactors. That historic opposition is aimed at preventing the creation of separated plutonium that could be used in weapons. But in this case, the warhead plutonium is already separated and could easily be made into weapons. The urgent task is to neutralize it.

The United States should insist that the Russians burn off their separated warhead material before pursuing their quixotic dream of creating even more separated plutonium for reactor fuel. America should also encourage, and perhaps help to finance, a demonstration plant for vitrification in Russia and explore the feasibility of buying some of the Russian plutonium for disposal as waste. It will take a good two decades or more to get rid of the surplus military plutonium in each country. There is time to fine-tune the approaches.

—THE NEW YORK TIMES.

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From Europe, a Mixed Lesson in Social Policy

By Jim Hoagland

WASHINGTON — On a scoreboard right now, the report on economic change in France since his election 18 months ago would read: French workers and industrialists 100, President Jacques Chirac 0.

Efforts to modernize France's industrial base have turned into embarrassing retreats for this intensely proud president and his highly competent prime minister, Alain Juppé.

That failure says much about France's concept of the nature of work at the end of the 20th century.

The key to Mr. Chirac's victory over the Socialist opposition in 1995 was his promise to revive the economy and bring unemployment down. But joblessness, now at a record 12.6 percent, has continued to rise. "Unemployment is our Vietnam," says a French executive. "Chirac like your Lyndon Johnson cannot get out of the quagmire."

Last year Mr. Juppé backed off cutting the country's exaggerated social safety network and combating featherbedding after revolts by railway and airline workers. This month the government stood by as truck drivers shut down much of the highway system and won retirement at age 55.

The ailing trucking industry settled quickly. No wonder. The truckers' retirement benefits will be paid by the taxpayers. Trucking firms can either downsize or hire younger drivers as replacements at lower wages.

You would think that French citizens would be waving the heads of truckers' leaders on pikes. But polls show that a majority supported or sympathized with the strikers, as it did last winter when railway workers paralyzed Paris.

Mr. Chirac stunned me not long after that upheaval when I asked how he was able to announce cuts of 200,000 conscript soldiers from the armed forces without provoking any domestic outcry, and yet could not get the public to support eliminating 2,000 railway jobs.

Listen, he said, this involves people's careers. They have a right to have their concerns taken seriously, he added with evident genuine sympathy for the workers who had just inflicted a political defeat on him.

In France, work is still not only about competitiveness. The theology of globalization has not taken hold as it has in America, Britain and Asia, where downsizing and productivity indices have become the indisputable arbiters of virtue as well as profit.

In France, values of social solidarity and the creation of dignity through work still count. Unemployment and featherbedding subsidized by the state are recognized as increasingly unbearable burdens, but so far they are preferable to the society-rending changes demanded by a greater devotion to competitive pressures from abroad.

Taken too far, the French reflex has an unhealthy side that turns quickly to protectionism and chauvinism. That side surfaced when union and industry opposition led Mr. Juppé to cancel the privatization of the state-owned Thomson group of companies this month. Thomson's loss-making consumer electronics division was to have been sold to the South Korean conglomerate Daewoo, which promised to increase jobs and investment.

Rejection of foreign investment and refusal of rational downsizing are seen as steps to economic suicide by countries scrambling to keep up with the pressures of globalization. Mr. Juppé knows that all too well.

But increasingly it seems to me that American business errs too far on the other side. The fact that Germany and France, despite high fixed costs and rigid labor markets, have remained competitive in so many markets for so long says something important.

It suggests that social infrastructure adds significant value to their exports. Society's investment in an educated, relatively secure workforce does bring more than intangible benefits.

Let's face it, Americans love seeing the haughty French suffer almost as much as the French love seeing the overbearing Americans get their due. But France's current economic double bind should not be the cause of smug satisfaction that I see breaking out on this side of the Atlantic.

The French efforts to salvage what is valuable and humanistic from their social contract — while, we must hope, discarding the irrational and totally inefficient parts of their system — are important not just for the French but for the rest of the world's employers and employees. We would all have something to gain from the example that a French success would set.

The Washington Post.

From America, a Case Study in Successful Globalization

By Thomas L. Friedman

OAK BROOK, Illinois — The folks at McDonald's like to tell the story about the young Japanese girl who arrived in Los Angeles, looked around and said to her mother, "Look, mom, they have McDonald's here, too."

You could excuse her for being surprised that this was an American company. With 2,000 restaurants in Japan, McDonald's Japan is the biggest McDonald's franchise outside the United States.

"You don't have 2,000 stores in Japan by being seen as an American company," said James Cantalupo, head of McDonald's International.

The way McDonald's has packaged itself is to be a "multi-local" company. By insisting on a high degree of local ownership, and by tailoring its products just enough for local cultures, it has avoided the worst cultural backlashes that some other U.S. companies have encountered.

Not only do localities now feel a stake in McDonald's success, but, more important, countries do. Poland, for instance, has emerged as one of the largest regional suppliers of meat, potatoes and bread for McDonald's in Central Europe. That is real power.

McDonald's is gradually moving from local sourcing of its raw materials to regional sourcing to global sourcing. One day soon, all McDonald's meat in Asia might come from Australia, all its potatoes from China. Already, every sesame seed on every McDonald's bun in the world comes from Mexico. That's as good as a country discovering oil.

This balance between local and global is worth noting.

The phenomenon we call "globalization" — integration of markets, trade, finance, information and corporate ownership around the globe — is actually a very American phenomenon. It wears Mickey Mouse ears, eats Big Macs, drinks Coke, speaks on a Motorola phone and tracks its investments with Merrill Lynch using Windows 95.

So countries that plug into globalization are really plugging into a high degree of Americanization. And people will take only so much of that.

To the extent that U.S.-origin companies are able to become multi-local, able to integrate around the globe economically without people feeling that they are being culturally assaulted, they will be successful. To the extent that they don't, they will trigger a backlash that will slam not only them but all symbols of U.S. power. Iran now calls the United States "the capital of global arrogance."

People in other cultures cannot always distinguish between globalization and American power, exports and cultural assaults. That is why you see terrorists lashing out at U.S. targets not for any instrumental reason but simply to reject this steamroller of globalization/Americanization, which has become so inescapable.

"You try to shut the door and it comes in through the window," says the historian Ronald Steel about globalization. "You try to shut the window and it comes in on the cable. You cut the cable, it comes in on the Internet. And it's not only in the room with you. You eat it. It gets inside you."

The only answer is multi-localism — democratizing globalization so that people everywhere feel some stake in how it affects their lives.

The New York Times.

Britain Inside Europe: Yes, but Much Remains to Be Settled

By Malcolm Rifkind

The writer is the British foreign secretary.

LONDON — The United Kingdom has a clear view of what the European Union is, and how it should develop. We believe in Europe as a wide partnership of democratic nation-states, reconciled after centuries of rivalry, conflict and oppression; with a strong sense of shared purpose and shared values; which have created a single market, open internally and open to the rest of the world; which are committed to a common foreign and security policy based on unanimity, and to far-reaching practical cooperation in matters of justice and home affairs; and which have joined forces in this common enterprise, while retaining the separate identities that give Europe its richness and character.

To the visionaries of Europe this is a pedestrian agenda, even a negative one. Where, they ask, is the ambition? Where the fire? Where the prospect of ever closer integration? Yet it is the integrationists who need to explain themselves.

Where do they see the process which they promote finding its natural conclusion? All sides decry the term "superstate." The strongest champions of the European Union reject the term as a bugbear invented to frighten the children. No one, they say, advocates any such thing. Amen to that. Yet if the Union is to be the basis of lasting peace and prosperity in Europe, its members need to think hard about the limits of integration.

Integration for its own sake without the prospect of practical benefit merely undermines the confidence of the electorate in the ability of the Union to tackle issues important to them. Europe must therefore listen to public opinion.

These reflections are not academic. The European Council in Dublin at the end of this week will be taking stock of a negotiation on treaty revision that will settle the shape of the Union as it enters a crucial phase in its development. The next few years will be as important as any in its 40-year history.

We face not only the challenge of enlargement, with all its implications for policy reform, but the urgent task of enhancing Europe's global competitiveness and hard choices on a single currency.

That is why the present Intergovernmental Conference is important. Do we have the judgment to ensure that the IGC is not a distraction from Europe's real challenges — but a contribution to meeting them?

I am encouraged by the draft report that the Irish presidency has tabled for discussion. There are still some wide areas of disagreement, of course, but there are many areas of emerging consensus, too.

Heads of government agreed earlier this year that we should aim to conclude the conference in June, at the end of the coming Dutch presidency. The United Kingdom strongly supports that goal, and I see no reason why it should not be achievable.

We are not talking, this time, about fundamental change to the structure of the treaty on European union. Maastricht established the framework for monetary union. It also created the new "pillars" of intergovernmental cooperation in foreign and security policy and in justice and home affairs.

This time, for all the hoopla, our agenda is more modest. Some would like to extend the competence of the Community into the intergovernmental pillars. But, as the presidency report confirms, a number of member states, including the United Kingdom, will not agree to that.

So we should concentrate on progress we *can* make.

There is wide agreement that we need to entrench the concept of subsidiarity more deeply in the treaty. We are close to agreement on improvements in the practical operation of the common foreign and security policy, which, we all agree, needs to become more dynamic and operational. We all want to see improvements, too, in European cooperation in the fight against international crime. And we are all looking for ways to develop the role of national Parliaments in European decision-making.

There are also difficult issues which remain to be reviewed. How can we ensure that the system of majority voting better reflects the distribution of population in Europe? How can we prevent the college of commissioners from becoming unmanageably large as the Union expands? Can we improve the functioning of the European Court of Justice?

Britain is not going to surrender the results of 18 years of Conservative reforms to our economy. We are determined, for example, to prevent the health and safety article in the treaty from being used to bring in social policy by the back door.

And then there is the important question of flexibility. As the Union becomes larger and more varied, its members need to find better ways of reflecting their diversity. If some partners want to deepen their integration in a particular area, can they do so without overriding the national interests of the member states as a whole? That will be a central issue in the closing stages of the negotiation.

There is a lot still to be done if the Intergovernmental Conference is to conclude by next June, but the work is well launched. The United Kingdom, for its part, is determined to hold to the agreed timetable so that Europe can get on with the urgent tasks facing it in the real world, beyond the committee rooms of Brussels — and above all with the challenge of European Union enlargement.

International Herald Tribune.

The Anti-Europeans in Britain May Well Prevail

By William Pfaff

LONDON — It seems increasingly likely that Britain's prime minister will be put out of his agony long before the May deadline for a new general election. John Major lost his majority in Parliament last week. He uncomfortably survives by support from the Ulster Unionist members.

The Conservative Party is fatally riven by the European issue. It probably will split if it loses the general election.

Europe and the single currency are legitimate and necessary matters for debate, if that debate could be conducted in rational terms. But deep, ancient and enduring English fear and hostility with respect to the Continent are driving some Tories and their allies in the press. It may well be that Europe must go ahead without Britain, and Britain without Europe.

London has in the past seen considered parliamentary debate and sober decisions to join Europe, to join the European monetary system (from which it has since withdrawn) and to accept the Maastricht treaty program for drafting measures of further European integration.

There have been two referenda in Britain on Europe, and the pro-Europeans have won them both. After each defeat, the anti-European resistance has recovered, regrouped and relaunched the debate. Bulldog Britain simply will not give in.

Labour, currently guardedly pro-European, holds, according to the latest published poll, a 37-point lead over the Conservatives in intentions to vote (59 percent versus 22 percent). But anti-European forces exist in the Labour camp, too. Labour was the anti-European party until the 1970s.

It may simply be that despite overall support for Europe among British voters, as a practical matter the anti-Europeans will have to be acknowledged a blocking minority. There are times when a lukewarm majority has to give in to an impassioned minority. It certainly must do so if that majority cannot make its case with force and vision, which neither Mr. Major nor Tony Blair, the Labour leader, have done.

It is clear that both men believe any show of enthusiasm for Europe spells political death. If this is so, why go on?

There is, of course, more than the European issue to explain the Conservatives' plight. Mr. Major's government has displayed astounding political ineptness, privatizing things that the public does not want privatized, handing over choice jobs in newly privatized industry and utilities to party faithful, clumsily concealing the party's sources of funds, especially those that have come from overseas.

The Major government even managed to be caught last week cutting war veterans' pensions and medical payments. The prime minister told Parliament with indignation that he certainly was not so stupid as to do such a thing in the run-up to an election, but then the documents were produced to show that this was just what his government had done. There were even documents recounting government discussions on how to hide it, and buy off potential critics.

The depressing thing about Britain at this moment, and France as well, is that neither has a government with the wit to come in out of the rain. Alain Juppé, the French prime minister, has been a political disaster. His latest flop was a botched attempt to privatize a big loss-making state electronics group, Thomson, by selling its components off for the symbolic franc.

This sale was announced without public preparation or discussion, without public examination of the contending bids, and now has had to be withdrawn on instructions from the government's own privatization review board.

Mr. Juppé and President Jacques Chirac see investigators closing in on a public works kickback operation allegedly run for years by the Chirac-controlled Paris city government. The public in the past has been tolerant of such illegalities when meant to raise political campaign funds, but this time it is suggested that money has gone into private accounts.

The social and economic problems confronting France and Britain, and the highly uncertain situation that exists with respect to Europe's construction, the single currency, a new security arrangement with the United States and Russia, and the globalized economy, demand what President Bush plaintively called "the vision thing."

Mr. Chirac seems adrift. The criticism always made of him, that he is a great No. 2 but an incompetent as No. 1, has been validated. The French have five and a half years to go in Mr. Chirac's presidency.

Mr. Major is a man on a sinking raft, with sharks of his own political persuasion waiting to gobble him up. They will not have to wait long. The British have that to be thankful for.

International Herald Tribune.
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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: All Souls Perish

LONDON — The complete disaster to the North German Lloyd steamer Salier was reported by the Daily Mail's correspondent: "The Salier struck on the rocks below Basonas, outside Point Corrubedo," on Spain's Galician coast. "She was driven apparently on a lee shore by the gales blowing from westward. She must have gone to pieces immediately. She carried a crew of 68 and 214 passengers. All were lost. The sea washed up bodies and cargo until the beach was strewn with wreckage."

1921: Reds Drop Silver

MOSCOW — The Soviet Government has abandoned the plan to issue silver currency, and the only change now in prospect is a simple mathematical process of lopping off four ciphers of new paper money. A small sum of silver has been set aside by the Government for its own purchases on the Mongolian frontier, where paper is not accepted. But the intention to print silver roubles covered by a silver reserve, to be used in foreign commerce, no longer exists. The financial theory of the Soviet Government underwent a total transformation with the adoption of capitalistic methods.

1946: GIs Can Marry

FRANKFURT — The GI can now legally marry his German girlfriend with the permission of the American government. General Joseph T. McNarney announced that the regulations will be modified to permit marriages between American military personnel and German nationals. The GIs who are engaged can marry German girls prior to their departure for America. Their wives will then be sent to the states as "war brides" at government expense.

هكذا من الأصل

OPINION/LETTERS

Extra! A 'Second' China Does the Right Thing

By Jessica Mathews

WASHINGTON — There are two Chinas in more than the familiar geographic sense.

On the issues that dominate Sino-U.S. relations — human rights, trade, Taiwan and nuclear exports to Pakistan — China's record is abysmal. The strains in the relationship may have been exacerbated by shifts in U.S. policy, but they are caused by Beijing's behavior, not Washington's.

On inconsistency, too, China takes a back seat to no one. Adrian Karatnycky, president of Freedom House, points out that the threat of economic retaliation against Disney — if the company released a film about Tibet — couples human rights and trade in exactly the same way that China loudly insists the United States must not.

But during the past year, in particular, a pattern has emerged that reveals another China. On a series of major arms-control and environmental issues and on two dangerous nuclear flash points, Beijing has acted constructively, in several cases making major concessions or reversing earlier obstructionist positions.

By far the most noteworthy of these was its acceptance of a nuclear test ban last June, after just 45 nuclear tests, as compared with 1,030 over the years by the United States, 715 by Russia and several hundred each by France and the United Kingdom.

Also in the spring of '96, Beijing dropped long-standing objections to an agreement that anti-personnel land mines must be detectable and self-destructing. China, the world's largest producer of mines, still opposes a ban, the only effective way to halt this scourge, but the new agreement moves in the right direction.

On the other big, recent arms-control breakthrough — conversion of the nonproliferation treaty to permanent status — China did not take a leadership role, but neither did it side with Iran, India or others that tried to kill the pact.

The past 12 months have seen two momentous environmental advances. In a move triggered by a reversal of the U.S. position, nations agreed last summer that voluntary measures to limit greenhouse gas emissions would not work and committed themselves to negotiate binding limits to be reached by specified dates.

China is the world's second-largest greenhouse gas emitter, likely soon to become the largest. It is the economy that will be most affected by greenhouse limits, and for that an effective global response cannot be achieved. For years China has been a negative force in talks. But in a notable switch, it did not block this most recent — and important — step.

In another surprise, China in November signed the landmark agreement to protect global fisheries. The treaty is significant not only because the world's fish stocks are in crisis, but because — in a major departure from previous international law — it says that ships suspected of illegal fishing can be boarded for inspection. China was not alone in finding this concession of national sovereignty hard to swallow. But swallow it, it did.

Finally, though North Korean obstructions have made it impossible to move ahead, China appears ready to accept the U.S. proposal for four-party talks to resolve the dangerous stalemate on the Korean Peninsula, and has played a modestly cooperative role as Washington has worked to defuse the Korean nuclear crisis.

More recently, President Jiang Zemin traveled to India, the first such high-level visit. Delhi then announced it was suspending work on its Agni missile, directed at China. Improved relations between the countries could be the crucial step to untangling the so far intractable, nearly nuclear standoff between India and Pakistan.

What to make of all this? As it proved by jailing a Chinese international civil servant carrying UN identification, Beijing is capable of violating the standards of mutual trust expected of members of international institutions. And it has massively violated its nonproliferation treaty obligations in support of Pakistan.

Still, the record suggests that China has a genuine interest in arms control and does not like to be a holdout. Observance of agreements may be another matter, but the positive implications for U.S. policy are obvious.

The writer, a senior fellow at the Council on Foreign Relations, contributed this comment to The Washington Post.

The Christian Science Monitor. Los Angeles Times Syndicate.

The Supreme Court will rule on Internet decency, but uh ... first it has to ... um ... connect to the Internet.

LETTERS TO THE EDITOR

Holocaust Silence

Regarding "Early Holocaust Reports and a Code of Silence" (Meanwhile, Nov. 27) by John Keegan:

Mr. Keegan's article is simply outrageous, based on biased or totally irrelevant arguments.

He tries to justify the Allies' wartime silence on the systematic slaughter of the European Jews with a technical reason, i.e., the so-called critical importance of not letting the Germans know that the British had deciphered their secret code for transmissions.

Yet it is obvious that the Allies had a whole variety of imaginative ways to leak the information to the world, such as bogus news releases quoting "visual evidence" from people who had fled the German-occupied regions, or "oral testimony" from captured German soldiers involved in the massacres.

If they had chosen to make the information public as early as 1941-1942, and had confirmed it as the truth, the Allies would have eliminated two essential factors that made the Nazis' final solution such a tragic success. One was the Jews' own inability to believe that their death was a strategic objective of the Nazis. The second was the unawareness of the local populations and civil servants in German-occupied countries, whose passive support was crucial in carrying out the final solution.

One seriously wonders whether the Nazis would have decided to build death camps to implement their plans on an industrial scale had their deeds been widely known early in the war.

The truth is simple and the facts are clear, once the smoke screens are gone: The Allied military command and governmental authorities made a choice in 1941 to keep a military secret at the expense of potentially saving millions of civilian lives.

P. KORZUCH.
La Varenne St. Hilaire, France.

Mr. Keegan's arguments remind one of what has been heard for years in defense of inaction in Bosnia.

LEONORE SUHL.
Portimao, Portugal.

U.S. Arrogance

Regarding "Look Here, France, You're Not Going to Get the Sixth Fleet" (Opinion, Dec. 2) by Thomas L. Friedman and "Net Trade Gains" (Editorial, Dec. 4):

The complacency and arrogance displayed in these articles — one on U.S. military dominance, the other on U.S. trade dominance — smack of 19th-century colonial postures. This "holier than thou" attitude cannot fail to trigger anti-American feeling even among the staunchest friends of the United States.

If this neocolonial trend is confirmed, the future is indeed bleak for international relations.

MICHEL MARCHETEAU.
Paris.

A Sappy Ode

Regarding "A Satisfied American Gives Holiday Thanks" (Meanwhile, Nov. 29) by Richard Cohen:

Mr. Cohen's Thanksgiving thank-you letter to the United States is one of the sappiest patriotic odes I've read in a long while. Besides a token mention of past transgressions against African-Americans and native Americans, Mr. Cohen attempts to convince us that "the prosperity of present-day Europe is layered over a vast killing field," while "America has no such history."

Is the blood shed by innocent civilians in Iraq or Nicaragua or Vietnam not to be mourned and regretted by Americans?

JEN BUDNEY.
Milan.

A Visionary's Big Plan To Save the Smallest

By Marta Balinska

PARIS — We are reminded of Unicef each year at this time when the organization offers its seasonal greeting cards, allowing us to contribute to the welfare of poor children the world over, increasingly those of Eastern Europe.

This week, as it happens, is the 50th anniversary of the founding of this organization, one of the UN's most popular.

MEANWHILE

The man who conceived of Unicef and fought a valiant battle against tough odds to see his idea through to creation, a Polish doctor named Ludwik Rajchman, was a special man — and not only because he was my great-grandfather. Consider what he accomplished.

By the end of 1946, the Cold War was already in full swing. The United Nations Relief and Rehabilitation Administration, or UNRRA, which had been set up in 1943 and was financed mainly by the United States, had aroused considerable political controversy and was going to have to cease its activities — even though civilians in Europe were still suffering bitterly.

Since 1939, infant mortality had doubled in parts of the Continent and tripled in others; in some areas, half of all babies did not live to see their first birthday. An estimated 20 million children on the Continent suffered from rickets, tuberculosis, physical handicaps or psychological trauma.

Arguing with forceful conviction, Dr. Rajchman played a key role in persuading the UN General Assembly that children and their mothers constituted an "apolitical" domain, and that an organization — Unicef — was needed to aid them, whether they lived in vanquished or victorious nations.

It took a whole year, however, as well as the support of former President Herbert Hoover (a champion of children's relief), before member states made a first major contribution to the emergency fund, which had already begun operations with U.S. Army surplus supplies and leftover UNRRA money.

Unicef originally was approved as a temporary organization. But Dr. Rajchman had foreseen it growing into a permanent, worldwide entity. He also anticipated the fund soon branching out to developing countries, where children were in a permanent crisis, and it did so in 1950.

Dr. Rajchman was born in 1881 into a prominent Jewish family of the Warsaw intelligentsia. An epidemiologist by training, he was able to test his ideas through his pioneering work in public health, first as founder of the Polish National Institute of Hygiene, in 1918, and then as director of the League of Nations Health Organization, an agency often cited as a success story in what was considered a largely failed international experiment.

Yet until recently his role as the founder of Unicef received little recognition, and he was not even invited to the talks leading up to the creation of the World Health Organization in 1946.

Dr. Rajchman was more concerned with results than with recognition, however.

A Polish citizen anxious to help his country even after the Communist takeover, he could not help but get caught up in the swirl of Cold War politics. In the charged and polarized atmosphere of the times, he was, in the end, rejected by both blocs (the Polish government withdrew his diplomatic passport at the height of the Stalinist era, and McCarthyites in the United States accused him of having spied in Washington for the Russians during the war). He spent the last 15 years of his life in France.

This Polish Jew who lived through both world wars and saw how evil can be institutionalized and then carried to its extremes, helped demonstrate the crucial importance of institutionalizing humanitarian principles, to enshrine them, internationally, as a permanent example.

"Rajchman believed in the generosity of men," said his friend Jean Monnet, the man known as the father of Europe, "but he had the foresight to found institutions."

The writer is the author of "Une vie pour l'humanitaire," a biography of Dr. Rajchman, her great-grandfather. She contributed this comment to the International Herald Tribune.

Photo by Takeyoshi Tanuma

"The idea that children have special needs has given way to the conviction that children have rights, the same full spectrum of rights as adults, civil and political, social, cultural and economic."

— from UNICEF's *The State of the World's Children 1997* report

For many children, this is not as easy as it looks.

For children who become innocent victims of conflict, it can be very difficult to smile. Because war doesn't just harm children physically. It can also damage them emotionally.

In Sarajevo, for example, UNICEF reports that two-thirds of the city's children have experienced wartime situations in which they thought they would be killed. And nearly one-third feel unbearable sorrow.

Is there any hope, for children like these, that smiles can reappear? Yes, because progress is already being made by UNICEF and other organizations, including local educators and care providers. Through programs that combine art, music, and other activities, the range of trauma-related symptoms in tested children has been lowered by 75 per cent.

As a company long associated with photography and other visual communications technologies, we at Canon understand how the arts can heal as well as entertain.

How positive imagery can stimulate the mind to subdue unhappy memories.

Yet as a worldwide organization that believes in living and working together for the common good, we believe the real answers lie in eradicating conflict and abuses. We envision a world where all children can live in safety and serenity. A world where damage is never inflicted on young minds. A world where all children can be happy.

And here their smiles preserved in photographs like the one above.

Canon

When I close my eyes, I dream of peace.

Message from UNICEF Special Representative for the Performing Arts Judy Collins.

When I traveled for UNICEF to Bosnia and Croatia two years ago it was both a moving and very distressing experience. I learned a lot from the children I met in bombed-out school rooms, hospitals and orphanages — all of them innocent victims of war. Some of the children had written about their feelings, which inspired me to write a song:

"Once I had a home, once my life was good/once my mother sang to me and held me/then the fire came, falling from the sky/there is no one left who can protect me

But when I close my eyes, I dream of peace/I dream of flowers on the hill, I dream I see my mother smiling."

As we traveled in Mostar we heard the sound of nearby sniper fire everywhere. A poignant picture remains in my mind — a *Children Crossing* sign riddled with bullet holes.

Near Dubrovnik, in a war-ravaged village called Zupa, I took part in a UNICEF-supported class for grade school children in which they were taught about land-mines — how to recognize them, what damage they can do, and how to protect themselves. Anti-personnel mines are a major threat to children here as well as those in many other countries of the world. There are an estimated 110 million land-mines planted around the globe, with another 100 million in stockpiles. The greatest concentrations are in Africa and Asia. Afghanistan, Angola and Cambodia are the most heavily mined, with around 10 million mines in each country. In the areas I visited, some active land-mines date back to World War I.

But there is hope. The children in the land-mine awareness class that I attended and others in surrounding villages have discovered well over 6,500 land-mines and have reported them to authorities — without a single casualty. Though this is a beginning, we should not forget that these children, like children everywhere, deserve to be able to run and play without needing to watch for such threats to limb and life.

Judy Collins

Help UNICEF help children.

unicef

United Nations Children's Fund

For more information, please contact your nearest UNICEF office or National Committee for UNICEF.

This column is donated by Canon and the International Herald Tribune.

INTERNATIONAL

Ghanaian UN Official Leads in Voting for Secretary-General

But France Won't Relent on Its Threat to Veto Him

Reuters

UNITED NATIONS, New York — Kofi Annan of Ghana, the UN undersecretary-general for peacekeeping, led four African candidates by a healthy margin Wednesday in the contest for secretary-general, but France, which has veto power, continued to oppose him, diplomats said.

They said that in the third of three informal Security Council ballots, Mr. Annan received 11 votes in favor and 4 against, one of them from France.

On Tuesday, Mr. Annan had received 10 favorable votes at the end of polling in the 15-member council, and was the only one of four African candidates to get more than the required nine votes.

At the end of Wednesday's voting, his closest rival was still Amara Essy, foreign minister of the Ivory Coast, who had six favorable votes and four against, two of them presumably from the United States and Britain.

The spread between Mr. Annan and Mr. Essy was nearly the same in balloting on Tuesday and Wednesday, making Mr. Annan at this point the only viable candidate. To win, a nominee must have a minimum of nine votes and no veto against him.

France, the United States, Britain, Russia and China have veto power. The next round of balloting will be on Thursday, and diplomats said the next step might be high-level discussions to persuade France to change its mind, or possibly throw the race open to Asian nominees if the contest on African candidates is deadlocked.

Secretary-General Boutros Boutros Ghali, whose term expires Dec. 31, suspended his candidacy after a U.S. veto Nov. 19.

■ Boutros Ghali's Chances Fade

Although he remains technically in the race, Mr. Boutros Ghali's chances of re-emerging as a compromise candidate seem slimmer each day, The New York Times reported.

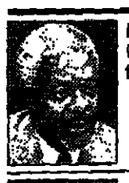
Two of the four African candidates, Hamid Algabid of Niger and Ahmedou Ould Abdallah of Mauritania, scored low enough in the informal voting on Tuesday to be considered out of the running by many.

That leaves the field largely to Mr. Annan and Mr. Essy, who is a former president of the UN General Assembly.

These preliminary straw polls are intended to give the 15 Security Council members not only a sense of how much relative strength or weakness a candidacy demonstrates but also where pitfalls lie and future stalemates might be found. Council members vote on anonymous ballot papers to "encourage" or "discourage" a candidacy, a process begun in the early 1980s to winnow the field to serious competitors.

Diplomats speculated that France's opposition to Mr. Annan, the clear favorite, had less to do with qualifications and more to do with the perception that he is the American candidate. Mr. Annan meets the requirement of speaking French, a sine qua non for France.

Mr. Annan is perceived to be much closer to the United States, where he was educated, than to Europe.



Kofi Annan, 58, of Ghana, UN under secretary-general for peacekeeping.

Amara Essy, 51, foreign minister of the Ivory Coast, former president of the UN General Assembly. He was Ivory Coast's permanent UN representative from 1981 to 1990.

Ahmedou Ould Abdallah, 56, former Mauritanian foreign minister and former UN envoy to Burundi. He now heads a Washington think tank, the Global Coalition for Africa

Hamid Algabid, 55, former prime minister of Niger and now secretary-general of the Organization of the Islamic Conference.

UN Reports 1,100 Killings by Burundi Army and Asks Halt

Reuters

GENEVA — The UN human rights chief issued evidence Wednesday that Burundi's army had killed at least 1,100 people in two months, including hundreds of Hutu refugees, and urged the country's Tutsi leaders to stop the bloodshed.

"I appeal to the authorities and all parties to assure maximum respect for rights and fundamental freedoms to put an end to killings, arbitrary arrests, destruction of property," the United Nations High Commissioner for Human Rights, Jose Ayala Lasso, said in a statement.

The UN human rights office in Geneva, in reports based on its investigations and testimony by witnesses, said the killings by the army had taken place in October and November.

The biggest was when troops massacred 200 to 400 Hutu returnees and wounded 200 others in an attack on a church in the village of Murambi in the northwestern province of Cibitoke, the UN agency said.

Mr. Ayala Lasso also appealed urgently for funds to support his office in Burundi, where at least 150,000 people have been killed in three years of ethnic war.

"I am deeply disturbed by the deteriorating human rights situation in Burundi," he said.

Hutu rebels battling the army also have killed scores of civilians, the report said.

It warned that an already alarming situation had been made worse by the influx of more than 50,000 Burundian Hutu refugees who fled a rebellion by ethnic Tutsi in eastern Zaire.

The UN human rights office said killings, disappearances and arbitrary arrests had risen sharply in Burundi since the influx began.

It said civilians were bearing the brunt of increasingly violent confrontations between troops and rebels, with Hutu guerrillas using mortars and the army striking with planes.

"The human rights situation in November could be described as alarming, with massacres, arbitrary arrests, pillage and destruction of property perpetrated by the two sides," it said.

Child Labor: Hazards in the First and Third Worlds

Reuters

UNITED NATIONS — Children are bitten by snakes on rubber plantations in Malaysia, inhale pesticides picking coffee in Tanzania and are hurt on construction sites in Portugal, the United Nations Children's Fund said Wednesday.

In the United States, they can be found working on large farms and in sweatshops of the garment industry, Unicef said in a report on child labor around the world.

"Hazardous child labor must be left behind, consigned to history as completely as those other forms of slavery that it so closely resembles," said the Unicef director, Carol Bellamy.

Calling for global action, Unicef said countries should provide schooling for all children, enforce international treaties they signed and immediately end "intolerable forms of child labor such as prostitution or bonded labor."

Unicef's report contended that more than 250 million children between 5 to 14 years old were working in conditions detrimental to their health.

The report also sought to debunk myths that child labor was found only in poor nations, that it was inevitable in families of extreme poverty and that most children were employed in export industries that could be reformed through sanctions and boycotts.

Mexican-American children work on farms in New York state, including fields wet with pesticides, while children are employed by leather industries in the Naples region of Italy. And in Britain, 15 percent to 26 percent of the 11-year-olds and 36 percent to 66 percent of the 15-year-olds are working, the report said.

Nevertheless, most child laborers live in the developing world, half of them in Asia, where bonded labor is common.

Children as young as 8 are pledged by their parents to factory owners or agents in exchange for very small loans. In India, this type of transaction is widespread in industries such as those making carpets and matches, Unicef said.

In Africa, one child in three works, and in Latin America one in five works.

Another myth, Unicef said, is that child labor will never be eliminated until poverty disappears, thereby saying, "We must tolerate the intolerable until world poverty is ended."

But the report contended that children were employed because an employer or parent benefited from cheap labor, depriving adults of jobs.

"Poverty drives children into hazardous labor. Yet if employers were not prepared to exploit children, there would be no child labor. In other words, children are employed because they are easier to exploit," Unicef said.

Contrary to a common belief, the report said, less than 5 percent of children are employed in export industries. Instead they are found selling on the streets, working in agriculture and prostitution, or hidden away in homes far from the reach of official labor inspectors.

SNUB: *French Foreign Minister Walks Out on Toast to Christopher*

Continued from Page 1

nature or engaging in a fit of personal pique toward Mr. Christopher.

The United States insists that an American must retain control of the southern command to ensure that the U.S. 6th Fleet, which patrols the eastern Mediterranean, is not subject to orders given by a non-American officer.

But as the price for its reintegration into NATO's military operations, France wants the southern flank commanded by a European — an issue that President Jacques Chirac calls one of "capital importance."

The litany of disputes between Washington and Paris has been growing longer. During the recent crisis in Rwanda and Zaire, France accused the United States of trying to subvert its traditional dominance in French-speaking Africa.

Mr. Christopher rebuffed such criticism by asserting that the days when Africa's destiny was ruled by "foreign spheres of influence" were over.

Paris was incensed by the American veto of a second term for the UN secretary-general, Boutros Boutros Ghali, a fervent francophile.

In turn, the French have vowed to block the ascendancy of Kofi Annan of Ghana, the undersecretary general for peacekeeping, or any other candidate who does not speak fluent French.

Mr. Chirac has also lambasted the Americans for trying to monopolize the Middle East peace process.

Last April, he dispatched Mr. de Charette on a mission to broker a cease-fire between Israel and Lebanese Shiite guerrillas just before Mr. Christopher began traveling between Damascus and Jerusalem to achieve that same goal.

U.S. officials were furious with Mr. de Charette, who was described as "a fly buzzing around in our ears."

After a week of shuttle diplomacy, a truce was finally signed.

It still appears to be holding along the Israeli-Lebanese border — but not between Paris and Washington.

Leader's Re-election Is a First for Ghana

Reuters

ACCRA, Ghana — President Jerry Rawlings, who has dominated national life in Ghana for almost two decades, won a victory Wednesday that made him the country's first incumbent to be re-elected since its independence in 1957.

The National Election Commission chairman, Kwadwo Afari-Gyan, said Mr. Rawlings had won 57.2 percent of votes cast, against 39.9 percent for John Kufuor of the Great Alliance. This gives Mr. Rawlings a final four-year term.

Arab Ambush Kills 2 Israelis In West Bank

The Associated Press

BEIT EL, West Bank — In a shooting near a Jewish settlement, Arab gunmen sprayed an Israeli car with automatic fire on Wednesday as they drove by, killing a 12-year-old boy and his mother and wounding four passengers, hospital officials and media reports said.

The casualties were members of the same family.

Three of the wounded were children between the ages of 4 and 10, said officials at Jerusalem's Hadassah Hospital. The names of the casualties were not made public.

Prime Minister Benjamin Netanyahu denounced the shootings as a "despicable act of murder" and said Israel would not let the incident pass without response. He also sent a sharply worded message to Yasser Arafat, the Palestinian leader.

The shooting occurred near the Israeli settlement of Beit El and the Palestinian village of Surda.

Three assailants armed with two automatic weapons rode in a car coming from the nearby town of Ramallah, said Avigdor Schatz, a settler in charge of security for Jewish settlements in the area. Reports said the car had blue West Bank license plates.

After the shooting, the assailants reportedly fled back to Ramallah, which is out of reach for Israeli security forces under the Israel-PLO autonomy agreement.

Israel then imposed a blockade around Ramallah and Israel Army Radio said that Defense Minister Yitzhak Mordechai demanded that Palestinian authorities find and hand over the gunmen.

Later, Major General Uzi Dayan, Israel's top officer in the West Bank, said Palestinian authorities had found a car fitting the description of the one used in the shooting. They said they found it burning in a garbage dump.

General Dayan said Israeli troops then entered Ramallah — apparently in coordination with the Palestinians — to check the car.

No Palestinian group immediately claimed responsibility for the attack. Several similar shootings have been carried out in the last three years by Palestinian militant groups, including in July and August.

Ivan Lemmer/Agence France-Presse

A boy wounded in the West Bank car attack being helped to a hospital.

Israel Accused on Passports

U.S. Consul Says Pressure Is Put on Dual Nationals

Reuters

JERUSALEM — A U.S. diplomat asserted Wednesday that Israel was discriminating against Americans of Palestinian origin in Jerusalem by threatening to deprive them of residency rights unless they gave up their U.S. passports.

The U.S. consul general, Edward Abington, said his office had complained to Israel after receiving more than 65 protests from Palestinian-Americans who live in Arab East Jerusalem, which has been occupied by Israel since 1967.

"We had five meetings with Israeli officials and sent them 12 letters on the issue, but their response to us had been there's no such policy," Mr. Abington said.

Human rights organizations and officials of the Palestinian Liberation Organization have repeatedly accused Israel of trying to make East Jerusalem predominantly Jewish by confiscating the residency permits of Palestinians who have dual nationality.

"We are trying to protect our citizens and we assure Palestinian-Americans that under U.S. law it is impossible for a U.S. citizen to lose U.S. citizenship involuntarily, by force or duress," Mr. Abington said. "This policy is tied very much to Americans of Palestinian origin. Israeli-Americans don't have the same treatment."

Faisal Husseini, a PLO official, has said that as many as 2,000 Arabs in East Jerusalem have been affected by Israel's permit confiscation policy.

"I know that other consulates in Jerusalem have received the same complaints," Mr. Abington said.

Israeli officials did not comment.

VW: *Former GM Executive to Be Charged*

Continued from Page 1

to mean that GM had a strong case.

Volkswagen said its lawyers believed "that the prosecutors for the most part found Opel and GM's accusations unfounded" and that the charges were based on "one-sided" witnesses from GM and Opel.

Volkswagen shares closed at 605 Deutsche marks ($389), down 7 DM, on the Frankfurt Stock Exchange. General Motors shares finished down $1, at $57.75, in New York.

General Motors' accusation that Mr. Lopez took the files date from his defection to VW in 1993. The executive, who was about to be named head of North American operations for the world's biggest automaker, took seven other managers with him.

But only recently has the bitter dispute between GM and Volkswagen come to a head.

Last month, the federal court in Detroit ruled that GM could use racketeering laws to sue Volkswagen over the Lopez affair. The use of those laws would triple any damages if VW loses. Market estimates that the damages could run to $5 billion caused VW stock to fall, increasing pressure on the automaker to bring the case to a resolution.

Volkswagen, recently invigorated thanks in part to Mr. Lopez's methods, then announced it was replacing him as head of purchasing but would retain him as a consultant for the duration of his employment contract. Volkswagen's severing its ties with Mr. Lopez was one of three conditions set by GM to begin talks on a settlement; the other two were a public admission of wrongdoing and the payment of "significant damages."

The magazine Der Spiegel reported this week that there were secret negotiations in London on Sept. 16 attended by GM executives and VW board members. The newspaper Bild am Sonntag said one of the VW directors confirmed that the meeting took place.

A GM representative denied that settlement negotiations were taking place, saying that queries from "certain parties" had been misconstrued and that no negotiations were ongoing.

The VW supervisory board, meanwhile, sought to quell reports that VW's chairman, Ferdinand Piech, was in danger of losing his job if a settlement was not reached. Klaus Liesen, chairman of the supervisory board, said in a statement that he had "no doubt" that Mr. Piech's contract would be extended in March. *(AP, Bloomberg)*

Food Poisoning Claims 11th Victim in Scotland

Reuters

LONDON — The death toll has risen to 11 in a food poisoning outbreak in Scotland caused by the E. coli bacteria, hospital officials said Wednesday.

The latest person to die was a 70-year-old man who was being treated in a Glasgow hospital.

The poisoning was traced to tainted meat pies, supplied by an award-winning Scottish butcher's shop, that were served to pensioners at a church luncheon last month. A second butcher's shop has now been closed after it was linked to the outbreak.

Officials said there were more than 200 confirmed cases of E. coli poisoning, making it the worst such outbreak in Britain. All those who died were elderly.

Swiss Official Vows To Trace Jewish Funds

Reuters

WASHINGTON — A Swiss government official defended his country's new effort to trace money in its banks claimed by families of Jewish Holocaust victims, declaring Wednesday that "no penny should remain in Switzerland."

Thomas Borer, head of a Swiss task force coordinating an investigation into the funds, was testifying in an unusual appearance before a U.S. congressional committee amid considerable skepticism about the Swiss effort.

"We are fully aware that nothing less than our reputation as an honorable country is at stake," he said. Switzerland has received months of negative publicity that has painted the neutral country as a willing conduit for funds stolen by the Nazis.

NATO: *Russia Agrees to Partnership Talks*

Continued from Page 1

want the timetable for expansion and the charter with Russia to converge."

For his part, Mr. Primakov said Russia wanted the charter to be invested with substantive purpose, adding that a nebulous declaration of principles would be "a train to nowhere."

He emphasized the charter should be a legal document with "very specific, very concrete provisions which remove our concerns."

Despite Russia's new willingness to open a dialogue with NATO, Mr. Primakov gave no indication that Moscow's antagonism toward the alliance's expansion plans would soften in the foreseeable future. "We are sticking to our negative position toward the enlargement of NATO," he said. "This is based on our firm belief that it will inevitably lead to a new division of Europe, and we find this unacceptable."

American officials said they were resigned to hearing the Russians stick to their hard line against enlargement, if only as a way to extract the best deal from the West in negotiations on the charter with NATO and on an updated treaty on conventional force levels in Europe.

"This is how they play chess and also how they negotiate," a senior American official said. "We think they will be very stubborn and complain about NATO expansion right to the end, hoping to get more concessions. But they have to realize that even if the talks stall on the charter, NATO expansion will still go ahead on schedule."

JOBS: *Germany's Migrants*

Continued from Page 1

because German taxpayers are footing a big part of the bill.

Since Germany was unified in 1990, the government in Bonn has spent more than $600 billion to rehabilitate the formerly Communist East. Much of that money has gone to subsidies and big tax breaks for construction.

Except for Berlin, no German city has seen as much construction as Leipzig. Officials here estimate that 9 billion square feet (810 million square meters) of office and commercial space has been built in the last three years.

But at many construction sites, Germans are a minority. The lowest-paid foreign workers come from countries such as Hungary, Poland, Turkey and Portugal. But higher-paid British, Dutch and Irish workers are easy to find.

As a member of the European Union, Germany is required to let citizens of any other Union country work and live within its borders as easily as a German citizen. But workers from East European countries, which at this point are not part of the EU, have also seen relatively easy access to jobs.

People of German ancestry are already entitled by law to full rights of citizenship.

Beyond that, to relieve its Eastern neighbors' concerns over the power of a reunified Germany, Bonn agreed to allow in thousands of workers from those lands.

Unsurprisingly, German construction unions have been up in arms.

They recently succeeded in persuading the government to adopt a regulation aimed at blunting the foreign advantage. The new rule, which takes effect Jan. 1, will require construction companies to pay both foreign and German workers at least $11 an hour in Eastern Germany and $11.30 an hour in the Western part of the country.

But even if the regulation achieves its goal, which many analysts doubt, it will not deal with the broader issue of Germany's high labor costs.

Economists contend that the heavy use of foreign construction workers is the flip side of what is happening in most other German industries.

There, many companies are setting up factories in other countries rather than importing workers.

Car makers such as BMW, Volkswagen and Daimler-Benz have built plants in the United States, Asia and Eastern Europe.

Foreign companies, in the meantime, have been reluctant to invest in Germany. According to the Institute for World Economics at the University of Kiel, Germany's annual investment gap — the difference between the amount German companies invest abroad and what foreign companies invest here — has run between $13 billion and $16 billion a year since 1990.

"The construction industry is similar to any other industry, except that in construction it's the labor that moves rather than the goods that move," said Claus Schnabel, a labor analyst at the Institut der Deutschen Wirtschaft, a business-oriented research organization in Cologne.

"When you have free trade and a single European market, that helps trade. But you also have the other side of the coin, which is that people might come here and work."

The pressure on Germany could become more severe in the years ahead, as the European Union moves closer to becoming a single economic entity, somewhat like the United States.

The cost of living is not low in Leipzig, but the pay is undeniably better than at home. Construction workers in Britain earn an average of $11 to $12 an hour.

In Leipzig, Mr. Briggs figured, British workers make $20 to $27 an hour.

Even at those wage levels, the British offer employers a substantial cost advantage over German union members. The base rate in union contracts is about $16 an hour, but that reflects no more than half the full cost.

Employers are required to contribute 20 percent of a person's wages toward health and retirement programs.

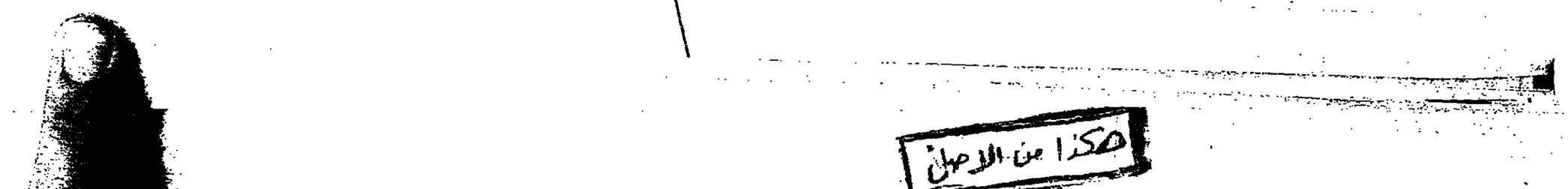
They pay a further 14.8 percent for workers' annual vacation fund, and the employee is entitled to an extra month's pay every December.

■ Subcontract Offer Questioned

France said Wednesday that Britain had confirmed that an offer by a British company to subcontract staff to French companies to avoid paying France's higher social charges was illegal, Reuters reported from Paris.

The European affairs minister, Michel Barnier, quoted the British ambassador in Paris, Michael Jay, as writing to him that "the activity offered by this company is illegal under British law."

Hotel & Catering Staff Supplies Ltd. of Rotherham, England, insisting the proposal is legal, is offering to recruit seasonal employees for hotels and restaurants in other EU countries at a savings of as much as 30 percent in payroll deductions.



EUROPE

Workers Join Protests in Belgrade

Organized Group Marches Over Elections for the First Time

Compiled by Our Staff From Dispatches

BELGRADE — An organized group of workers joined street protests against President Slobodan Milosevic of Serbia on Wednesday for the first time since marches began 24 days ago, union leaders said.

"We were also here before," as individuals, said the president of an association of independent unions, Rade Radovanovic. "But for the first time today we are here in an organized way."

Leaders of the association said that about 10,000 workers had been taking part in daily rallies by students and opposition groups since Mr. Milosevic's government annulled victories by the opposition in local elections.

Thousands of workers marched Wednesday behind a trade union banner in a show of unity that Mr. Radovanovic predicted would shake Mr. Milosevic and his deputies. Up to 150,000 people a day have protested in Belgrade, but the mainly middle-class protesters had previously failed to attract significant support from workers.

Independent unions said that some of their 40,000 members in Belgrade had begun to demonstrate because of both election fraud and their demands for pay increases.

The metalworkers' union, which claims 400,000 members, announced strikes in eight factories in Serbia's main industrial centers, although strikers were not present in the numbers hoped for by the organizers.

Workers downed tools in six factories in Belgrade, one in the southern city of Nis and one in Mladenovac, south of the capital.

The strikes are primarily economically motivated, "but we are supporting the students and opposition demands," said Milan Nikolic of the metalworkers' union.

"It is an old communist belief that when the workers come out against you, you are finished," Mr. Radovanovic said.

At the same time, international pressure on the Serbian leader mounted following a personal statement by President Bill Clinton urging Mr. Milosevic to recognize the results of the elections on Nov. 17.

Mr. Clinton said Tuesday that "the voice of the people should be heard."

In Paris, a spokesman for the French Foreign Ministry said Wednesday that, despite the continuing protests, reimposing economic sanctions against Belgrade was not a serious option. They would harm the wrong people, the spokesman contended. *(Reuters, AFP)*

Watching Karadzic Ride By

NATO Force Takes No Action on Police Sighting

Reuters

SARAJEVO, Bosnia-Herzegovina — International police in Bosnia said Wednesday that they had spotted the accused war criminal Radovan Karadzic under armed escort but that the NATO-led force took no action to arrest him.

International police monitors saw Mr. Karadzic in a Jeep on Monday, escorted by heavily armed special police in the Serbian government seat of Pale, a spokesman for the UN police said at a news briefing.

"In the back seat with the window open the monitors saw one of the most wanted men on the planet, Radovan Karadzic, enjoying the view," the spokesman, Alexander Ivanko, said.

Local police stopped traffic at a junction shortly before Mr. Karadzic's convoy of four vehicles arrived, and the convoy headed in the direction of his headquarters at a diesel engine factory in Pale, Mr. Ivanko said.

The international monitors immediately informed the NATO-led peace force of the sighting, he said.

The North Atlantic Treaty Organization chose not to mount an operation to arrest Mr. Karadzic at the Famos factory and never seriously considered it, said Major Brett Boudreau, a NATO spokesman.

"We received the report," he said. "I'm not aware of us doing anything in particular in the sense that we didn't put a guard around the Famos factory."

NATO commanders say peacekeeping troops will arrest any war crimes suspects they encounter during their normal duties, but they have ruled out "manhunts," fearing possible casualties and a backlash against the mission.

Mr. Boudreau said the peacekeeping force took its orders from its political masters in the North Atlantic Council. But he added, "There is obviously some building pressure on the international scene for something to be done."

"That pressure continues to mount and incidents like this will further that process along," he said.

The commissioner of the International Police Task Force delivered a strong protest to the Bosnian Serb interior minister "expressing the UN's dismay at the use of police to escort and provide traffic control for an indicted war criminal," Mr. Ivanko said.

The interior minister, Dragan Kijac, has refused to halt special police escorts for Mr. Karadzic and rejected demands from the international police to attach the special police to a specific precinct, he said.

A spokesman for the international high representative to Bosnia, Carl Bildt, said it was "outrageous" that Mr. Karadzic was roaming freely through Bosnia.

Mr. Karadzic stepped down as president in July under international pressure but continues to wield influence behind the scenes, political sources say.

The UN war crimes tribunal in The Hague has charged him with crimes against humanity and genocide linked to the siege of Sarajevo, the capture of UN peacekeepers and the slaughter of up to 8,000 Muslim men from the Srebrenica enclave.

■ Fund Dispute at Hague Court

UN officials may dismiss 16 lawyers lent by the United States to the Yugoslav war crimes tribunal because Washington refuses to pay their administrative costs, The Associated Press reported from The Hague.

The funding dispute between the United Nations and Washington could rob the court of some of its top attorneys if it is not resolved before Wednesday.

Negotiations are planned in the United States to try to prevent the mass dismissal, the court's spokesman, Christian Chartier, said Wednesday.

The U.S. lawyers remain employed by Washington but are seconded to the tribunal. Under UN regulations, countries donating staff have to pay their administrative costs, equivalent to about 13 percent of what that staff member would earn if employed by the UN.

Washington has refused to pay the costs, which amount to less than $500,000 in the two years since the lawyers arrived in The Hague, Mr. Chartier said.

Gero Breloer/Agence France-Presse

MERRY MEETING — Chancellor Helmut Kohl of Germany presiding Wednesday over a cabinet meeting amid Christmas decorations.

Russia's Defense Minister Gives Up His 'General' and Becomes a Civilian

The Associated Press

MOSCOW — Defense Minister Igor Rodionov gave up his military rank Wednesday and became the first civilian in decades to hold that position, as part of a campaign to reform the military.

Mr. Rodionov will continue as defense minister, President Boris Yeltsin's office said. The 60-year-old army general was "dismissed from military service because he reached the age limit," a decree signed by Mr. Yeltsin said.

The government wants the Defense Ministry under civilian control after decades of appointing generals to the post. Mr. Yeltsin has said civilian control of the ministry is needed as part of democratic reforms and to ensure greater accountability.

The president said Mr. Rodionov would "continue to tackle the most complex aspects of reform of the armed forces."

The Communist opposition immediately denounced the move.

"Of course, this is no good," said Viktor Ilyukhin, a leading Communist lawmaker who heads the Security Committee in the Duma, the lower house of Parliament.

"There is no discipline in the army even now," he said. "Now, there will be a civilian minister of top of that."

He predicted a "mess in relations" between the minister and the top generals despite Mr. Rodionov's own military background.

Mr. Rodionov was appointed in July to help create a new, streamlined military to replace the massive military machine of the Soviet era.

A number of generals have been fired under Mr. Rodionov, including some who publicly opposed cuts in the military. Some other senior generals have been removed, reportedly because Mr. Rodionov wanted their posts occupied by his own appointees.

The government wants a smaller, professional army with better weapons to replace the huge, conscript Soviet Army. But it lacks funds for troops and weapons because of the country's economic crisis.

The military is crippled by shortages and poor morale among officers and men. Soldiers go months without pay, and thousands of officers have quit because they could not feed their families.

BRIEFLY EUROPE

Farmers Reject Greece's Appeal

ATHENS — A nationwide strike by Greek farmers entered its 14th day Wednesday, with roadblocks paralyzing the country as other workers rallied to protest against the government's austerity measures.

The farm workers' coordinating body rejected an appeal Tuesday by Prime Minister Costas Simitis to lift the roadblocks. Instead, the farmers called on other farm workers' organizations to reinforce their roadblocks.

About 80 roadblocks were still in place across the country, although several roads were reopened in the south. *(AFP)*

Swiss Speed Probe

ZURICH — The Swiss Parliament gave final approval Wednesday to speeding ahead with a sweeping study of Swiss financial dealings with Nazi Germany and the fate of Jewish wealth stashed in Swiss banks during the Holocaust.

Both houses of Parliament waived the normal three-month waiting period for laws to take force, allowing a panel of independent experts to begin their probe of the wartime role of Switzerland early next year. *(Reuters)*

Italian 'Slandered'

MILAN — Umberto Bossi, leader of the secessionist Northern League, was indicted Wednesday on charges of slandering the president of Italy.

Mr. Bossi was cited for a speech in which he accused President Oscar Luigi Scalfaro of putting pressure on prosecutors to block a corruption investigation of leaders of the now-disbanded Communist Party, the ANSA news agency said. Trial was set for next Oct. 30. *(AP)*

U.K. Official to Quit

LONDON — A junior minister in the British Treasury, David Willetts, said Wednesday he would resign after being strongly criticized by fellow members of Parliament investigating allegations of "sleaze."

He was being investigated in connection with allegations that a former minister took cash in return for asking parliamentary questions on behalf of Mohamed al Fayed, the owner of Harrods. *(Reuters)*

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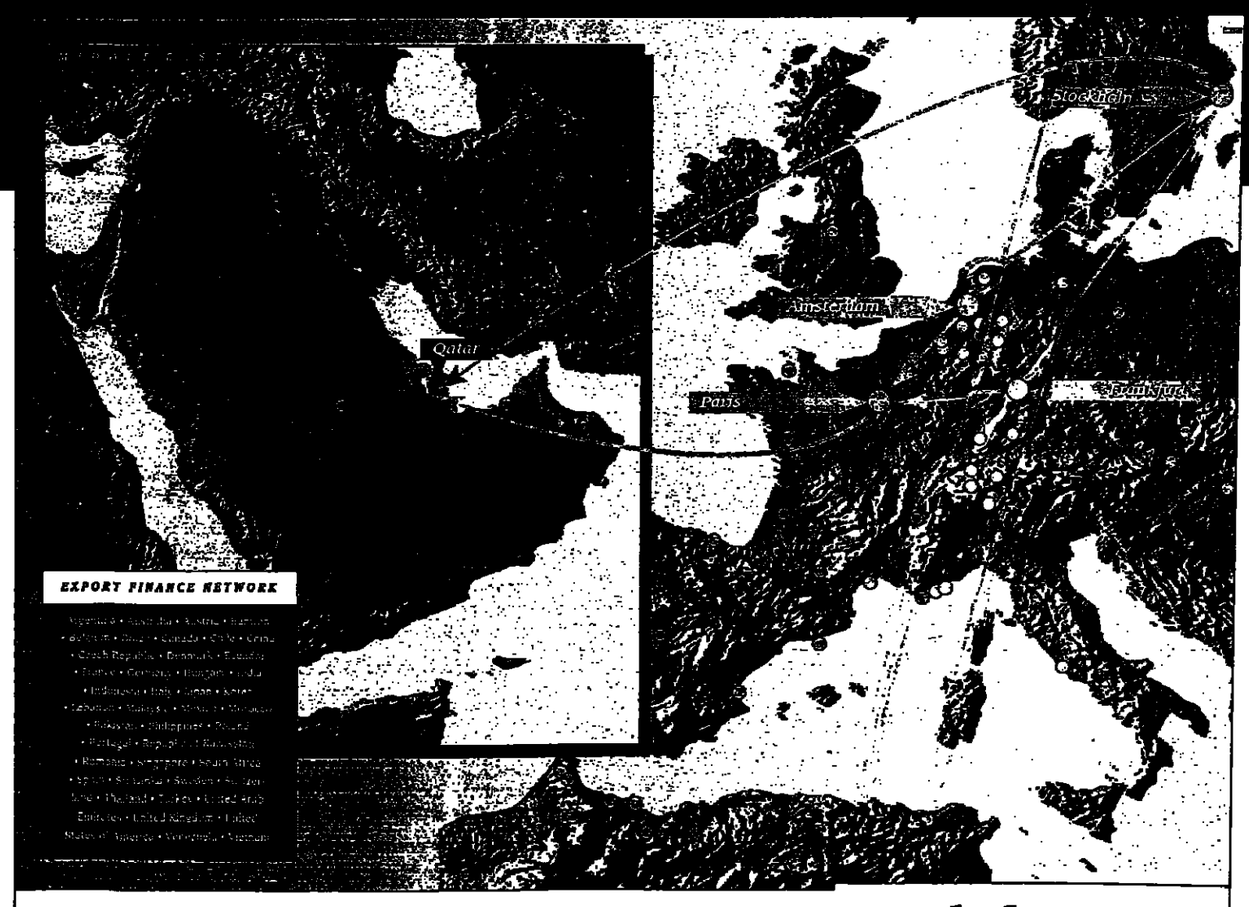

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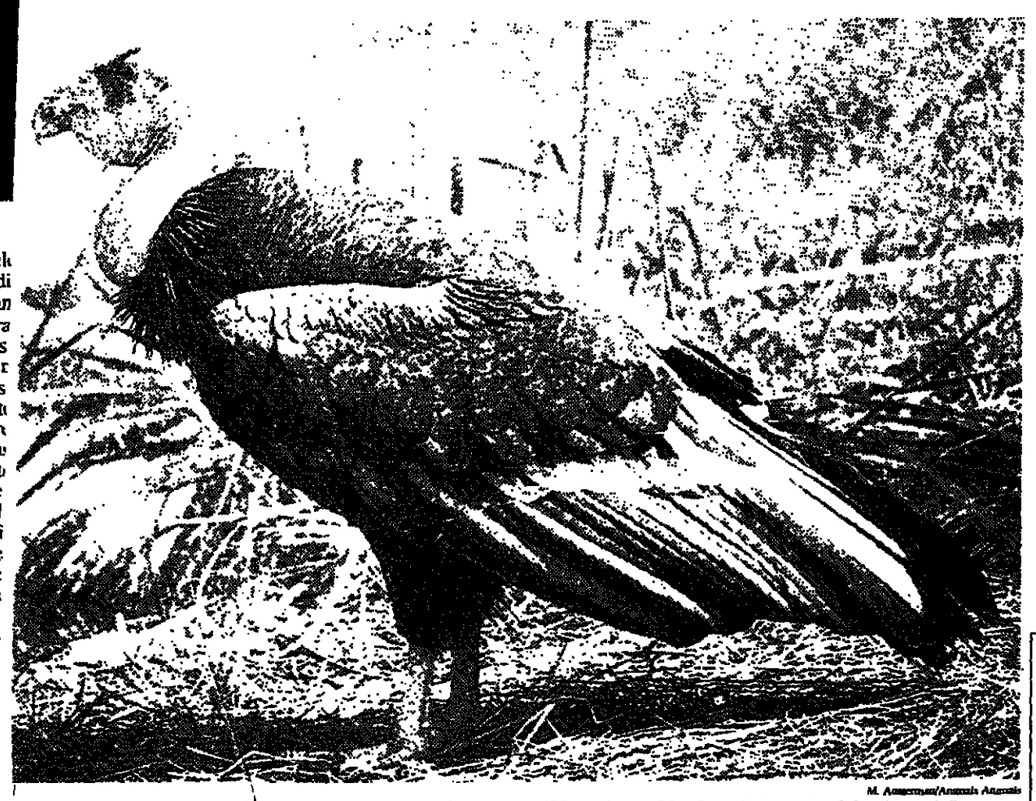


M. Ackermann/Animals Animals

California condors, like this one at the Los Angeles Zoo, will be released in the wild north of the Grand Canyon.

The Fateful Flight of the Condor

By Verne G. Kopytoff
New York Times Service

VERMILION CLIFFS, Arizona — Atop a red sandstone escarpment half a mile above the rolling desert of northern Arizona, six California condors stretched their enormous wings and gazed out from a pen at the rugged scrubland, plateaus and pinon forests of their new home range.

If all goes according to plan, these majestic vultures will be released into the wild here 30 miles (about 50 kilometers) north of the Grand Canyon on Thursday as part of an intensive 15-year effort to save the species from extinction. It will be the first time scientists have tried to establish a colony of the condors, North America's largest bird, outside of California.

The event will mark a modest advance in the condor's recovery, and culminates nearly a year of sometimes bitter negotiations between biologists and local residents who feared the government would interfere with the area's ranching, logging and mining with overzealous measures to protect the birds from danger.

Fighting off a legal challenge by officials from San Juan County, Utah, in the state's southeastern corner, which delayed the project for several months, scientists have nearly completed acclimating the young condors to their new surroundings.

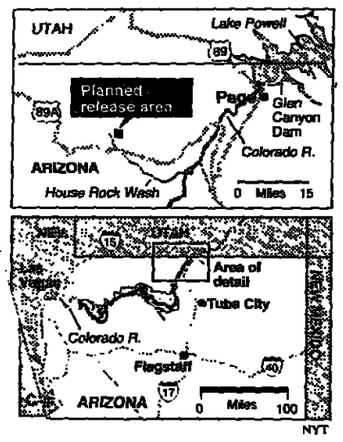
"I can't wait for one of the birds to catch a thermal and go almost out of sight," whispered Bill Heinrich, a biologist with the Peregrine Fund, a wildlife organization based in Boise, Idaho, that is managing the release.

"To see three or four of them circling overhead above the cliffs will be amazing," said Mr. Heinrich, who sat in a camouflaged blind near the birds' pen so they would grow accustomed to human contact.

A condor's wingspan can measure nearly 10 feet (3 meters), making the bird a graceful glider that can soar up to 150 miles a day in search of carrion like deer, cattle and sheep. Adults have mostly black feathers, with orange heads, and can weigh 20 pounds (9 kilograms). Juveniles are almost all black.

THE condor's territory once included much of the United States and parts of Canada and Mexico. Bones dating back 10,000 years show that condors once nested near the release site, and anecdotal evidence put them in Arizona as late as the 1920s.

But human encroachment, mainly hunting and pesticides, caused the condor population to drop precipitously, and by the early 1980s only 23 birds remained in the world. To keep the condor from becoming extinct like the dodo, scientists captured the few remaining wild condors living in the coastal mountain ranges of Southern California and put them in an existing captive breeding program.



NYT

By 991, their numbers had rebounded enough for scientists to begin a release program, which has been largely successful despite some conspicuous mishaps. Several condors were electrocuted when they flew into power lines (scientists now put fake power poles in their pens that deliver mild electric shocks on contact to teach them to stay clear) and one died after drinking antifreeze. There are now 17 condors in the wild, and 104 more in captivity.

Scientists believe that a second condor colony will help the species survive a catastrophe like disease or harsh weather that could wipe out a single population. Moreover, the condor's free-ranging ways inevitably put them near dangerous urban areas in California.

The ledges here on the Vermilion Cliffs, which jut from the plain in a sheer face for nearly 40 miles and are accessible by a rutted dirt road, are so remote that the birds will probably encounter only isolated ranch houses and tiny Indian villages.

"We think this is a better place than any we have tried," said Dr. Lloyd Kiff, the Peregrine Fund's science director and a former leader of the condor advisory board. "I'm optimistic. I will feel like a fool if they fly over that cliff and crash."

The two male and four female condors to be released are five months and six months old, and have never flown any distance longer than a flight pen. Young condors, rather than older ones that are set in their ways, were chosen because of the need to adapt if they are to survive. As a result of the condors' inexperience, Mr. Heinrich said, the release will probably be anticlimactic. The condors will probably fly to some higher roosts 50 yards from their pen, he said, pointing to a few large boulders or just hop on the ground.

Not surprisingly, the condors will not be self-sufficient for some time, if ever. Scientists will lay out stillborn calves every few days for the condors to eat, gradually making the carcasses harder to find as a sort of hunting lesson before tapering off after two years. The feedings serve to keep the condors from wandering too far, and make them easier to track with radio transmitters fitted to their wings.

Condors prefer living on high ledges to catch the rising wind currents and to take advantage of nesting caves in the rocky crags. The released birds could eventually roam the canyonlands of southern Utah and the Grand Canyon.

Almost inevitably, they will alight on private land, which initially alarmed many Arizona and Utah residents who feared business-killing regulations. Residents of this region are known for their anti-government sentiment, especially opposition to federal laws like the Endangered Species Act.

For example, many people blame federal logging restrictions for the closing of a lumber mill in nearby Fredonia, Arizona, in the early 1990s. The restrictions were imposed to protect the habitat of the Mexican spotted owl and the goshawk. Joy Jordan, a civic activist from Fredonia, was one of those skeptical about the reintroduction of the condors.

"Are we going to be put in jail if we hit a condor eating a road kill?" she asked. "And what if one drowned in a cattle trough? Would we have to pay a fine?"

TO ease fears, officials from the Fish and Wildlife Service held several public meetings to explain a plan to designate the condor as an "experimental, nonessential" animal. A similar agreement was used to reintroduce wolves into Yellowstone National Park.

Under the plan, animals are considered expendable and do not affect land regulations or development. Wildlife officials also signed a letter with local governments that said they would remove the condors from the area if their nonessential status was changed.

The plan satisfied, or at least mollified, most residents like Ms. Jordan, who plans to attend the condors' release. But the Fish and Wildlife Service did not talk to officials in San Juan County, who later filed the lawsuit.

Bill Redd, a San Juan county commissioner who participated in the court challenge, said: "We know about the kangaroo rat in California, the riparian habitats on the East Coast and that nonsense about the spotted owl in Washington and Oregon. We are a rural county and we depend on the land."

It will be perhaps five or six years before scientists know whether the introduction of condors into Arizona has been successful. By then, the birds will be old enough to breed.

Watching the condors scratch and flutter in the holding pen, then lifting their heads as a golden eagle circled overhead, Mr. Heinrich said, "They're definitely ready to go."

IN BRIEF

Loose Screw Caused Shuttle's Hatch to Jam

CAPE CANAVERAL, Florida (AP) — A loose screw caused a hatch on space shuttle Columbia to jam and kept the crew from taking a pair of space walks, the National Aeronautics and Space Administration said Wednesday.

The screw fell out if its hole and became embedded in the gears of the hatch, probably during liftoff, NASA said. A second screw in the braking mechanism for the hatch handle also came loose but remained in place, he said. Engineers discovered the loose quarter-inch screws after removing the gear box from the hatch and taking it apart.

Columbia returned to Earth on Saturday after an 18-day science mission. Two space walks intended as dress rehearsals for space-station construction had to be canceled because of the stuck hatch.

NASA is debating whether to remove the gear boxes on the hatches inside the Shuttle Atlantis on the launch pad, to make sure all the screws are tight. Atlantis is due to fly to the Russian space station Mir to pick up John Blaha, an American astronaut who has been living on the outpost since September.

Aleutian Volcano Erupts

ANCHORAGE (AP) — A volcano at the tip of the Alaska Peninsula has erupted into a "code red" alert, hurling gritty volcanic ash high into the atmosphere.

Pavlof Volcano, in the Aleutian volcanic arc, began shooting ash above 15,000 feet (4,600 meters) on Tuesday and possibly to 25,000.

The increase in activity prompted the Alaska Volcano Observatory to increase the alert level to red, the top of its scale. Pavlof lies along the air route for flights to Asia and its eruptions can throw ash into the path of passing airliners.

A Clue to Migraines

LONDON (Reuters) — Chemicals that cause inflammation may be responsible for the throbbing pain of a migraine headache, U.S. scientists reported Wednesday.

Experiments on rats show that nerves and blood vessels associated with the meninges or membranes between the brain and skull are sensitive to naturally occurring chemicals in the body.

Andrew Strassman of the Harvard Medical School and his colleagues said inflammation of the meninges seemed to come from the release of chemicals known as neuropeptides, which in turn causes the release of inflammatory chemicals like histamines. This could be one of the mysterious forces behind the throbbing pain of a migraine, they wrote in a report in the journal Nature.

Benefits of Magnesium

CHICAGO (AP) — Magnesium given to pregnant women to treat high blood pressure and premature labor may also sharply reduce the risk of cerebral palsy and retardation in their babies, a government study in the Journal of the American Medical Association suggests.

Setback for Cheap Fusion Power

By Malcolm W. Browne
New York Times Service

NEW YORK — Dreams of cheap and unlimited electric power from the fusion of hydrogen atoms have been jolted with the disclosure of calculations casting doubt on the performance of a projected $10 billion international reactor.

The journal Science reported that a team of American fusion experts had calculated that the International Thermonuclear Experimental Reactor, or ITER, would not produce appreciable power if built according to present plans.

The international consortium developing the reactor hopes to complete the machine around 2015. If successful, the reactor would ignite a fusion reaction and produce up to 1.5 billion watts of power, demonstrating the feasibility of exploiting hydrogen fusion for large-scale power generation.

But complex calculations by Dr. William D. Dorland and Dr. Michael Kotschenreuther of the University of Texas at Austin and Dr. Michael Alan Beer and Dr. Gregory W. Hammett at the Princeton Plasma Physics Laboratory in New Jersey suggest that previously unanticipated obstacles could prevent the ITER machine from working as planned.

"This is not a showstopper for ITER or the development of fusion power," Dr. Dorland said in an interview. "But it does mean that design changes probably would be necessary. There are ways for fixing the problems we have discovered, and some of these ways have been successfully tested on existing machines. However, if ITER is built as presently planned, we believe the reactor will not sustain a reaction producing much more power than is put into it."

Dr. Kotschenreuther said that although the calculations by the University of Texas and Princeton group raised major questions about the practicability of the reactor's design, the new mathematical approach offered the designers a tool for analyzing and controlling the turbulence likely to spoil fusion reactions.

"This opens the possibility of building a smaller, more efficient machine than ITER, in which turbulence would be much less troublesome than in the present ITER design," he said.

Fusion, the joining together of atoms, is the process that powers the sun, the stars and thermonuclear weapons. Although large pulses of fusion power have been produced by many experimental reactors since the 1950s, a sustained fusion "burn" producing significant yields of useful power has yet to be ignited.

The ITER machine would be the most ambitious effort yet made to achieve a sustained fusion reaction in a magnetically confined plasma. The new calculations may mean that unless its design is changed, the ITER cannot work as hoped.

A wide variety of weekly features

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◆ **Wall Street Watch:** Analysis of developments in the American market from a sophisticated international perspective.

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◆ **Economic Scene:** An overview of forces reshaping the world economy.
◆ **The Money Report:** For individual investors whose interests extend beyond their national or regional economies.

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THE WORLD'S DAILY NEWSPAPER

HEALTH/SCIENCE

TOMORROW: LEISURE

Orbiting Bicycle Built for 2? Space Fitness Takes Off

By William J. Broad
New York Times Service

NEW YORK — As clues of ice on the Moon and ancient life on Mars stir dreams of human explorers trekking across space and perhaps even setting up distant colonies one day, scientists are grappling with a daunting problem: keeping astronauts healthy for long periods in space.

New research on how people react to long spans of weightlessness is driving home a range of health risks, especially ones that affect the body upon return to gravity's pull. Muscles, heart function, blood flow, red blood cell production and the immune system are usually weakened when astronauts first step back onto the Earth's surface.

One of the worst repercussions is the continuous loss of bone mineral in space — at the rate of 1 percent to 1.5 percent a month — especially from the hip and lower spine. If uncorrected, this trend could prevent long space voyages.

Experts say a trip to Mars, a year or two each way, carries the risk of leaving an astronaut crippled upon return. "We've learned that bone loss from selected sites on the skeleton is a problem that we still don't have a solution to," D. Frank Sulzman, director of life science research at the National Aeronautics and Space Administration, said in an interview.

But NASA and its advisers say they are on the verge of finding what may be a simple way to prevent a wide range of space illness: Nothing fancy or high-tech, it boils down to hard exercise, the orbital equivalent of pumping iron.

Astronauts now tend to do endurance types of exercise, including cycling, rowing and walking on a treadmill, that stress aerobics and stamina. But a wide consensus is developing among space physiologists and NASA officials that this approach is wrong and needs to be supplemented by strenuous workouts that increase mechanical stress on astronauts' muscles. So solid is the agreement that NASA is developing and testing a wide range of new exercise gear that will revolutionize human activity in space and should produce regular choruses of grunts and deep inhalations as astronauts push themselves to the limit.

"The program is starting to come around," said Dr. Kenneth Baldwin, an exercise physiologist at the University of California at Irvine and head of a NASA task force on combating space illnesses. "The question is how quickly they're going to factor it in."

In October, the American College of Sports Medicine issued a report calling on NASA to put greater emphasis on resistive exercise as a way to promote astronauts' health. Such attention is imperative, the panel wrote, given the emerging era of long-term space flight.

"No question, that's the way to go," said Dr. Michael Greenisen, director of exercise countermeasures at NASA's Johnson Space Center in Houston, which is responsible for astronauts and their health. "I think we can maintain physiological function through exercise protocols for any length of time required. Bone is responding nicely to exercise. It's a problem, no question. But all the players in the space medicine business — the agency and the academics — fairly well believe that if we can get a countermeasure that works for muscle, it will work for bone, too."

One former astronaut who agrees strongly is Dr. Norman Thagard, who spent 115 days in space last year as the first American to visit the Russian space station, Mir, for a long period. He lost up to 11.7 percent of his bone mineral and 17.5 pounds of muscle and weight, but he says that the accumulating lessons from recent flights will allow future astronauts to fare much better.

"If you exercise hard, I believe you can keep from losing muscle mass," he said in an interview. "It looks entirely possible to send somebody on a Mars mission."

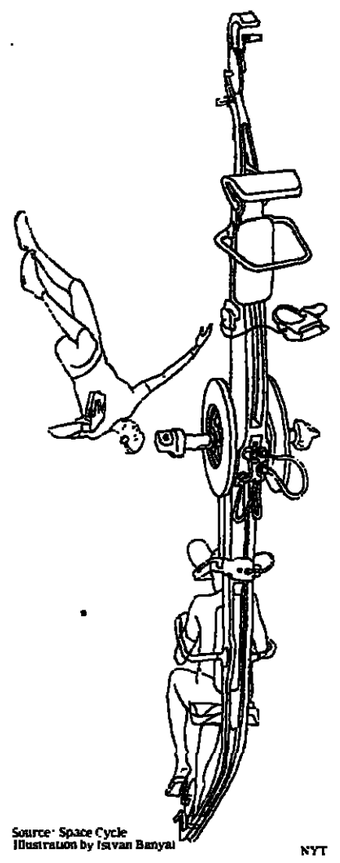
A PARADOX of the space age is that people have spent a great deal of time in orbit yet understand little about how to prevent the ills that bedevil space travelers. By now more than 300 American and Russian astronauts have logged literally decades in space. Nonetheless, scientists have only sketchy ideas about the causes and cures of space ailments like nausea, anemia, lethargy, headaches, disorientation, fatigue, depression, motion sickness, heart palpitations, weakened defenses against infectious disease and losses of blood volume, muscle mass and bone density.

Space medicine is now at a turning point, however, thanks largely to the new era of East-West cooperation.

Over the decades, the Russians set all the duration records as they operated a series of 10 orbiting outposts. But the end of the Cold War, and new Russian openness, revealed that the measuring instruments on the outposts were crude at best, as was the biomedical study of astronauts and their extraterrestrial ills.

By contrast, the American space program, with its winged shuttles, has great biomedical gear. But it provides scant information because shuttle astronauts are often just beginning to adapt to weightlessness by the time they come speeding back home.

Then, starting in early 1995, Americans began to live aboard the Russian Mir station, the first of seven astronauts being Dr. Thagard. The second was Dr. Shannon W. Lucid. And John E. Blaha, a retired Air Force colonel, is now aboard Mir for a four-month tour.



Source: Space Cycle
Illustration by Istvan Banyai NYT

Experts say the combination of Russian spacecraft and American biomedical equipment is beginning to produce the first real understanding of the fate of humans as space travelers.

Lessons from the cooperative East-West flights are already starting to improve astronauts' moods and health, NASA scientists say. During her flight, Dr. Lucid fared better overall than Dr. Thagard: She maintained her body weight and lost less muscle mass and bone mineral than he did even though she was aloft 73 days longer.

Dr. Lucid was "much more in compliance with exercise," said Dr. Greenisen of the Johnson Space Center. "In general, her flight was positive across the board and she was phenomenal in her willingness to comply. She met and exceeded the performance, and that showed up back on the ground."

Dr. Lucid, while confessing to a yearning for junk food, put in hundreds of hours on Mir's treadmill and stationary bicycle, apparently bent on staying in prime health.

On Sept. 27, Dr. Lucid, a 53-year-old biochemist, returned to Earth and walked out of the space shuttle, propped up by helpers but under her own power. Later, she looked relaxed and cheerful in the astronaut quarters at the Kennedy Space Center as she sat on a reclining chair with legs crossed, laughing and showing good humor about her delayed return to Earth and delayed reunion with her husband and three grown children.

Experts say the Russian exercise regime is slightly different from the one on the shuttle but that, like its American counterpart, it still puts the main emphasis on aerobic conditioning and endurance training. One difference is that for eight hours each day the Russians wear a special dark suit known as the Penguin whose bungee cords exercise leg and torso muscles.

The idea of encouraging much harder exercise as a countermeasure to space ills began to emerge about a decade ago and was pioneered in part by Dr. Baldwin of the University of California. His studies suggested that astronauts could combat muscle atrophy by performing exercises with heavy resistance in an effort to boost production of a specific form of the muscle protein myosin.

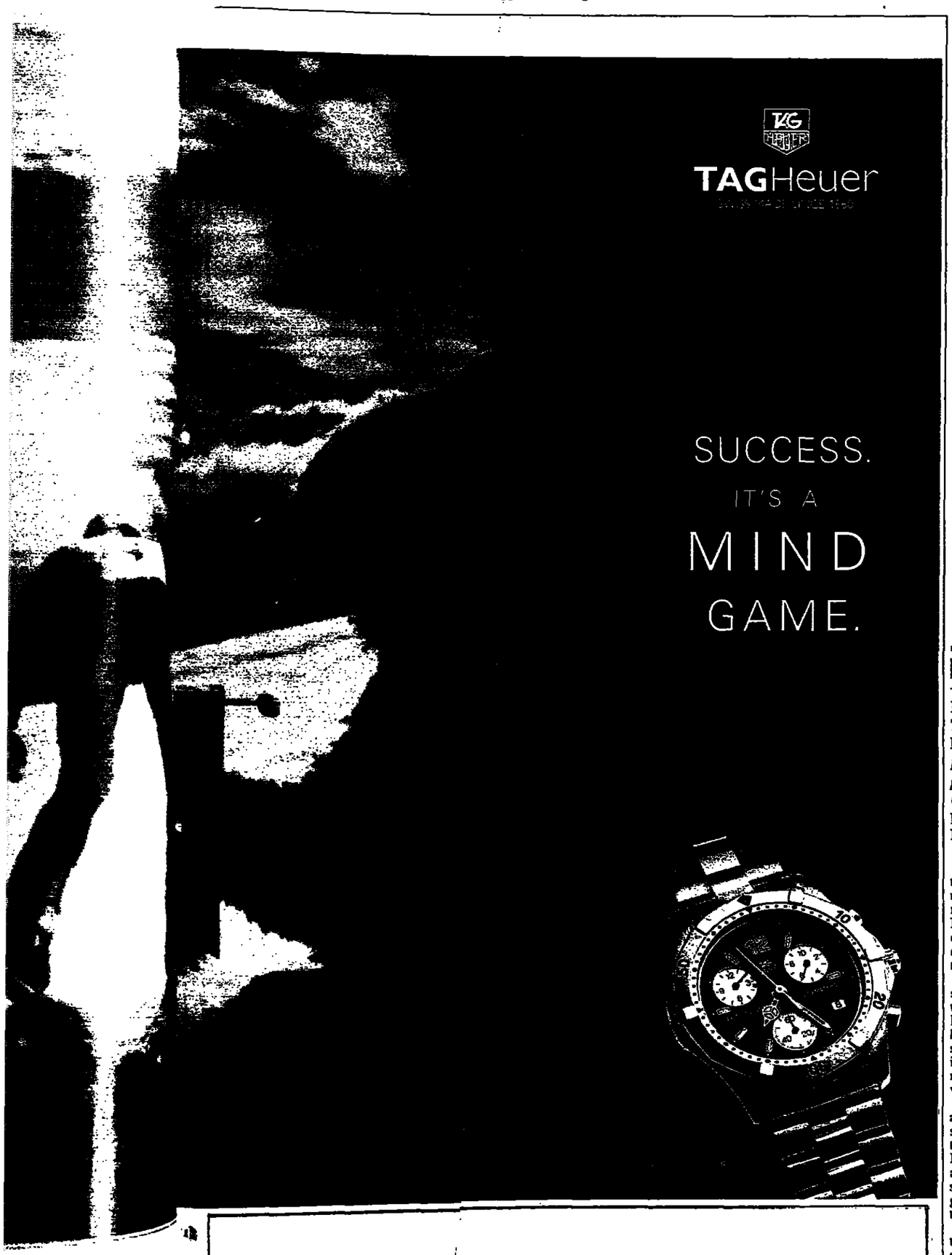
Recently, NASA conducted a study in which a person confined to a bed for four months was able to avoid loss of muscle mass and bone mineral by working out regularly in a program of heavy resistive exercise.

NASA is now developing and testing an array of exercise gear to help orbiting astronauts work up heavy sweats, although none are yet in use. Eventually, though, spacecraft interiors are likely to look more like gyms and health clubs (with odors to match) than the sterile fantasies of science fiction.

One device being tested has a lifting bar connected to a hydraulic system that resists movement while measuring exactly how much effort is going into the action. Also under study is a variation with electric motors.

Larger devices are also under development that would not only provide arduous exercise but also produce an artificial field of gravity, which is considered to be the ultimate countermeasure to space illnesses. These devices are basically bicycles built for two that revolve around a central point to act as whirling centrifuges, producing a heavy workout and the benefits of gravity at the same time.

"The space bike is a cool thing," said Dr. Sulzman of NASA headquarters. "It's a very intriguing idea."



BOOKS

EROS, MAGIC AND THE MURDER OF PROFESSOR CULIANU

By Ted Anton. Illustrated. 301 pages. $24.95. Northwestern University Press.

Reviewed by
Richard Bernstein

DURING the 16 years between 1976 and 1992, the Committee to Protect Journalists says, 13 writers were murdered in the United States. Most were members of emigre communities caught up in vicious struggles that seem utterly obscure to outsiders.

One of those victims, surely one of the most interesting, was Ioan Culianu, a Romanian-born scholar of the history of religion, who was shot to death in gangland style in 1991 in the men's room near his office at the University of Chicago.

The story of Culianu's life and death, absorbingly and sensitively told by Ted Anton, in "Eros, Magic and the Murder of Professor Culianu," combines politics and scholarship against a background of international intrigue and violence.

Anton's investigation of the Culianu murder is entirely different from most of the true-crime stories you are ever likely to read. Indeed, telling this story led Anton, an associate professor in nonfiction writing at DePaul University, into several unusual realms.

One of them, the most central, is the Byzantine blood sport of Romanian politics as it has taken shape since the 1989 uprising in which the Communist leader, Nicolae Ceausescu, was overthrown. Another is the arena of esoteric scholarly investigation to which Culianu devoted his life. A third is the extraordinary personality of the brilliant Culianu himself, a man whose personal and intellectual quests embody many of the tragic elements of late 20th-century life.

Anton begins with the murder itself, which took place on a bright May afternoon on the campus of the University of Chicago, where Culianu enjoyed a cultish status as a serious student of myths, the occult and magic. The killing was carried out professionally with a small-caliber Beretta pistol of the sort that can fit into a woman's handbag — a very uncommon murder weapon.

The crime has never been solved, though the accumulation of Anton's evidence rather strongly suggests that the Romanian security services, or some emigre nationalist sect, engineered it. Why they would have wanted to do so, and why Culianu, rather than another dissenting Romanian intellectual in exile, was the victim are the central questions posed by Anton, and he plunges into his subject's biography to find the answer.

Culianu, born in 1950 in Iasi, a cultural center near the Soviet border, was the child of a formerly aristocratic family of intellectuals and scholars that had been stripped of just about everything by the country's Communist rulers. Anton's account of the young Culianu's efforts to cope with the barren cultural environment of his country is utterly absorbing.

The security police, known as Securitate, tried to recruit him. He won a scholarship to study in Italy but was turned down for an exit permit. Culianu took refuge from these stifling circumstances by studying Indian mysticism, astrology, the haunting stories of the Argentine writer Jorge Luis Borges and, most important, a few Renaissance philosophers of magic, eros and the occult whose works he pondered for the rest of his life.

"Here he found the possibility of meaningful rebellion for him — not outward, but inward," Anton writes. "Culianu found in magic a potential release from all forms of power, even the limit of time or identity."

Eventually, in 1972, the young scholar was able to get an exit visa, and he went to Italy to accept a summer scholarship. There, he defected, and after several months in an internment camp for undocumented foreigners he embarked on a remarkable academic career, striving to uncover the hidden archetypes that produced the world's religions, writing a series of books in four languages and enjoying a rapid rise into the intellectual firmament.

Crucial in this was his emergence as the most important protege of a fellow Romanian exile, Mircea Eliade, of the University of Chicago. Eliade, two generations older than Culianu, was a hero back home, a man whose mystical early writings inspired a right-wing cultural revolution among the proto-fascist Romanian Iron Guard, a fact that Eliade himself kept secret for decades.

When the former Securitate essentially took control of Romania after the overthrow of Ceausescu, Culianu for the first time went into outspoken political opposition, using his mastery of rhetoric and his prestige as Eliade's legatee to write a series of articles savagely denouncing the Securitate and the destruction of Romania's hopes for the future.

Anton's reconstruction of Culianu's life, in short, is a demonstration of motive. It points at all the reasons the new Romanian regime or its supporters in North America might have wanted to get rid of him.

But Anton also has a deeper purpose, which is to forge a kind of intellectual and spiritual unity out of both Culianu's life and death, so that his entire biography and all the elements in it seem woven from a single strand: the effort, inspired by Italian Renaissance mystics like Giordano Bruno, to carve out a domain of inner spiritual meaning by using the forces of eros and magic, or, put another way, the power of imagination.

This is an interesting but problematic approach, one difficulty being that Anton's thumbnail sketches of Culianu's scholarship are cryptic and elusive, perhaps like the scholarship itself.

It is an essential part of the effect of Anton's book that invisible forces of the sort that Culianu studied were at work in his own life, pushing him toward his destiny. The idea is intriguing, but it is a bit mysterious.

Nonetheless, Anton has presented a fascinating portrait of a brilliant individual, a kind of late 20th-century original, swept up in the darkest forces of recent times. Ioan Culianu was only 41 when he was killed. There is no telling what we have lost because of his untimely death.

Richard Bernstein is on the staff of The New York Times.

BRIDGE

By Alan Truscott

RITA Rand won the National Swiss Team title during the Fall Nationals in San Francisco.

On the diagramed deal from the final, Rand as South had a difficult bid when East impertinently raised his partner's weak-two opening to the three level. This could have led to an 1,100-point penalty, but North would not have passed a double.

Rand's bid of three notrump was sensibly aggressive. She could not afford to be shut out of the auction, and her partner was sure to have some values.

She had a decision to make after winning the opening spade lead with dummy's jack. Pinning her faith on the diamond finesse, she led the jack from dummy. If East had played low promptly, she would have had to consider taking the ace and hoping for good fortune in hearts and clubs.

But East naturally played the diamond king, and after winning with the ace she could count eight tricks. She next tested hearts, and the favorable break solved her problems. Eventually the fall of the club queen gave her an unimportant overtrick.

In the replay, the expert South adopted another plan and was unlucky. He tested hearts immediately and discovered that he needed just one extra trick from the minor suits.

On the last heart East threw a club and West a diamond. Declarer now concluded correctly that the club length was on his right. He therefore cashed the club king, finessed the jack and went down by two tricks. The Rand team gained 13 imps.

NORTH
♠ J 6 4
♡ A K 5 2
◇ J 7 2
♣ K 8 6

WEST (D)
♠ A Q 8 7 3 2
♡ 10 9 3
◇ 8 4
♣ Q 3

EAST
♠ 10 9
♡ J 8 6
◇ K 10 5
♣ 10 9 7 5 2

SOUTH
♠ K 5
♡ Q 7 4
◇ A Q 9 6 3
♣ A J 4

Both sides were vulnerable. The bidding:

West	North	East	South
2 ♠	Pass	3 ♠	3 N.T.
Pass	Pass	Pass	

West led the spade seven.

Reach the summit

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via the International Herald Tribune

THE WORLD'S DAILY NEWSPAPER

In Warsaw For Business

THE WARSAW CITYSCAPE is rapidly changing. New, foreign-financed office buildings and hotels are going up, and buildings neglected for 50 years under communism are undergoing face-lifts.

Small businesses are springing up in Warsaw, ranging from street-corner shoestring saleladies to hundreds of kiosks and small shops. Poles love to complain even as they consume; listen to the grumbling in the long lines outside the many new supermarkets and department stores appearing throughout the city.

The private sector, in its myriad forms, now accounts for some 60 percent of the Polish economy, providing the best opportunity to make money in difficult, changing times.

At a Glance

Warsaw is a relatively easy city to grasp: It has three main north-south thoroughfares, crossed by two main downtown arteries. The restored old city is in the northern part. In the center are the main hotels and offices, the air terminal and central railway station, and nearby ministries. You can walk from one end of this central district to the other in 20 minutes. The southern part of the city is attractive; the roads there lead toward the beautiful Lazienki Park.

The main diplomatic quarter is near the Belvedere, which has been converted into a museum dedicated to Marshal Jozef Pilsudski, Poland's interwar leader.

Of the three main north-south roads, the most famous is the so-called Royal Route, which starts at Castle Square on the edge of the old city and leads down Krakowskie Przedmiescie, a street lined with palaces and churches, including the one housing Chopin's urn. The main Warsaw University is there, with the Finance Ministry not far away on Swietokrzyska. The route becomes Nowy Swiat Street, known as "Warsaw's Fifth Avenue," with its Dior and Estée Lauder boutiques, pastry shops (stop at Blikle, now at its prewar location, for a *paczek*, a Polish donut) and record stores. It reaches Jerozolimskie Avenue, the second of the transversal streets down from Swietokrzyska. Here, the former headquarters of the Communist Party has been partly transformed into Warsaw's new stock exchange.

The final section of the old Royal Route runs along Ujazdowskie Avenue, location of the prime minister's office and some embassies, including the U.S. embassy. The British, French and other embassies are nearby, as is the Polish Parliament, made up of the Sejm, the lower house, and the Senate.

In the summer, Lazienki Park is "as beautiful as St. James's park and as big as Hyde Park" in London – high praise, coming as it did from an English inhabitant of Warsaw.

Another north-south route is formed by Marszalkowska Avenue, which runs from the pretty Ogrod Saski Park past the Palace of Culture Square, lined on this side by department stores, and on to the business and diplomatic quarter in the south. This is the main commercial boulevard, which also crosses the transversal routes Swietokrzyska and Jerozolimskie.

The third north-south route, renamed Aleje Jana Pawla II (formerly Marchlewskiego), is more of a fast traffic highway.

Beyond the old town is another historical route, called the Old Warsaw Route, which links the Old Town Square via Freta Street to the New Town Market Square. This is tourist country but is nevertheless an indispensable part of anyone's visit to Warsaw.

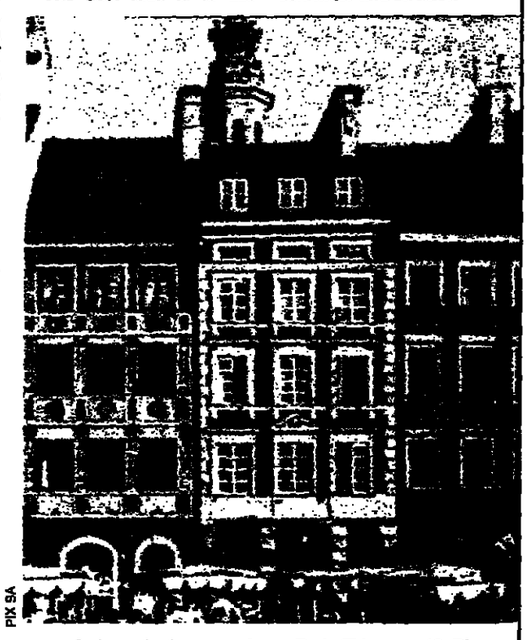
Across the river is the Praga area, with its lower-income housing, the famous "thieves market" and the Tenth Anniversary Stadium, given over to trading. Saska Kepa, to the south of the stadium, is a more middle-class area.

Getting Around

Warsaw buses and trams are very crowded, if cheap. Tickets are purchased beforehand at kiosks. This public transport is not recommended for the visitor.

Taxis are plentiful; make sure the meter is on when the ride starts. The so-called "mafia taxis," which may charge for their return journey as well, are more expensive. This breed is dying out, but still exists at the airport and near some major hotels. In the city, the average ride is under $5; pay only in zlotys and tip 10 percent.

The best idea is to use



PIX SA

one of the telephone taxi services, such as Supertaxi (Tel.: 9622), which stake their reputation on fast, reliable service and reasonable rates.

In a Word

Polish is spoken by nearly 39 million Poles and large Polish communities overseas. Chicago has the second-largest Polish population after Warsaw, with around 800,000 people of Polish origin. There also are large Polish communities in several West European countries, notably Britain, France and Germany.

Wining & Dining

"Poles don't want to eat Polish food," comments one longtime Western resident of Warsaw. Certainly the leading hotels and those restaurants serving international cuisine are fashionable, but visitors will find there's more to Polish cuisine than "greasy duck and chicken."

Specialties include various soups, *barszcz* (beetroot soup), *kapusniak* (sour cabbage soup) and *zurek* (sour soup with pieces of cabbage).

Other national dishes are *bigos* (cabbage stewed in red wine with pieces of meat and mushrooms), *pierogi* (dumplings stuffed with mushroom and cabbage or meat), *kotlet schabowy* (pork cutlet with stewed cabbage and potatoes), and *zrazy wolowe* (beef fillets, rolled, with buckwheat gruel).

Alcohol is expensive, with 18 percent added to the bill. One can eat well in Warsaw for $15 a head.

Bazyliszek, 3/9 Old Town Square. Tel.: 311841. Western and Polish business clients celebrate here in "Old Warsaw" decor. Open till 1 A.M. on weekends. Zurek and other Polish specialties.

Belvedere, New Orangery, Lazienki Park. Tel.: 414806. Lovely surroundings. Traditional Polish and international cuisine.

Fukier, 27 Old Town Square. Tel.: 311013. Mainly Polish cuisine, with a choice of international dishes. Seasonal dishes in the water garden in the summer.

Gessler, 21 Old Town Square. Tel.: 311661. The former Krokodyl is now the location of Gessler, specializing in international cuisine, including blinis with caviar, duck and good trout. There are two restaurants and a coffee shop. The basement restaurant opens at 10 A.M. and the more exclusive main restaurant at 6 P.M. Live music (classical or jazz). Garden dining in summer.

Kahlenberg, 54 Ul Koszykowa (IPC Business Center). Tel.: 630-8850. Polish-Austrian cuisine, notably *tafelspitz*, *wienerschnitzel* and *strudel*.

Petit Trianon, 42 Piwna, Old Town. Tel.: 317313. A private restaurant with a limited but excellent menu – escargots, prawns and fresh fish. Comes recommended by the diplomatic and business communities.

Starapolska, 8 Krakowskie Przdmiescie. Tel.: 269070. Good food, but the view is even better.

Swietoszek, 6 Jezuicka. Tel.: 315634. A club, but you don't need to be a member to eat there. Have your hotel reserve a table for you. Excellent beef and traditional dishes served under a vaulted ceiling. One of the top three restaurants in the city. Around the corner from the Old Town Square.

Calling Around

Country code: 48. City code: 22.

Warsaw is converting to seven-digit exchanges, but the process will take several years. Quality of telecommunications remains poor.

AT&T, Sprint and Komertel long-distance services are available. Dial 901 to make international calls.

- **Ambulance:** 999.
- **Fire:** 998.
- **Police:** emergencies: 997; non-emergencies: 262-424.
- **Tourist information and guides:** 635-1881.
- **Airport:** Flight information: 846-1700.
- **Radio taxis:** 919.
- **Directory Assistance:** 913 (outside Warsaw: 912).

Excerpted from the "International Herald Tribune Guide to Europe" (third edition, NTC Publishing) by Alan Tillier and Roger Beardwood.

"BUSINESS TRAVEL WITH ITT SHERATON" *was produced in its entirety by the Advertising Department of the International Herald Tribune.*
PROGRAM DIRECTOR: *Bill Mahder.*

Next Destination

BRUSSELS

A Privileged Location in Warsaw With ITT Sheraton

AMONG THE MANY NEW buildings that have risen in Warsaw recently is one that business travelers to the booming city will be happy to hear about: the brand-new Sheraton Warsaw Hotel & Towers, which opened its doors on May 7.

The handsome hotel has a privileged location overlooking Marshal Edward Smigly-Rydz Park, right next to the Polish Parliament and close to foreign embassies, government buildings and the city's financial center. The Warsaw International Airport is only 12 kilometers away.

One drawback of doing business in Warsaw is Poland's outdated telecommunications facilities, which are in the process of being modernized. Guests at the Sheraton Warsaw Hotel & Towers won't have to worry about not having access to essential communications links to the home office, however. Every room in the new hotel is equipped with two IDD telephone lines, data port and a voice message system.

The Sheraton Warsaw Hotel & Towers caters to all business needs, whether traveling executives want to entertain their clients or hold meetings. The Grand Ballroom, with an area of 500 square meters, can be divided into five smaller rooms, and there are 12 additional meeting rooms. The boardroom can accommodate between 15 and 45 people, and the 24-hour Business Center offers secretarial and translation services on request.

The hotel's 350 guest rooms have television sets with multilingual cable channels and are equipped with in-room safes. There are 65 Towers Floor rooms, five Junior Suites, eight Deluxe Suites (three with kitchenettes), five Executive Suites and one Presidential Suite. Non-smoking rooms and rooms accessible to the disabled are also available.

When it's time to eat, the Sheraton Warsaw Hotel & Towers can supply everything a guest's heart desires: In addition to 24-hour room service, there are no fewer than three in-house restaurants to choose from, plus a café and a lobby bar for beverages.

When it's time to relax or get a good workout, the hotel's Health and Fitness Club offers sauna, massage and fitness facilities.

Guests won't have to worry about their cars as the hotel has its own garage with parking space for 150 vehicles. For their personal needs, they can take advantage of the hotel's in-house beauty salon, hairdresser and drugstore.

In spite of the wealth of services offered by the Sheraton Warsaw Hotel & Towers, visitors will still want to get out and see the sights the city and enjoy its cultural and artistic treasures.

They can choose among 20 theaters, 26 museums, Chopin's birthplace (which has been made into a museum), the picturesque Old Town, the Royal Castle, Lazienki Park and the Palace of Culture and Science.

Sheraton Warsaw Hotel & Towers: Tel.: (48-22) 657 6100. Fax: (48-22) 657 6200.

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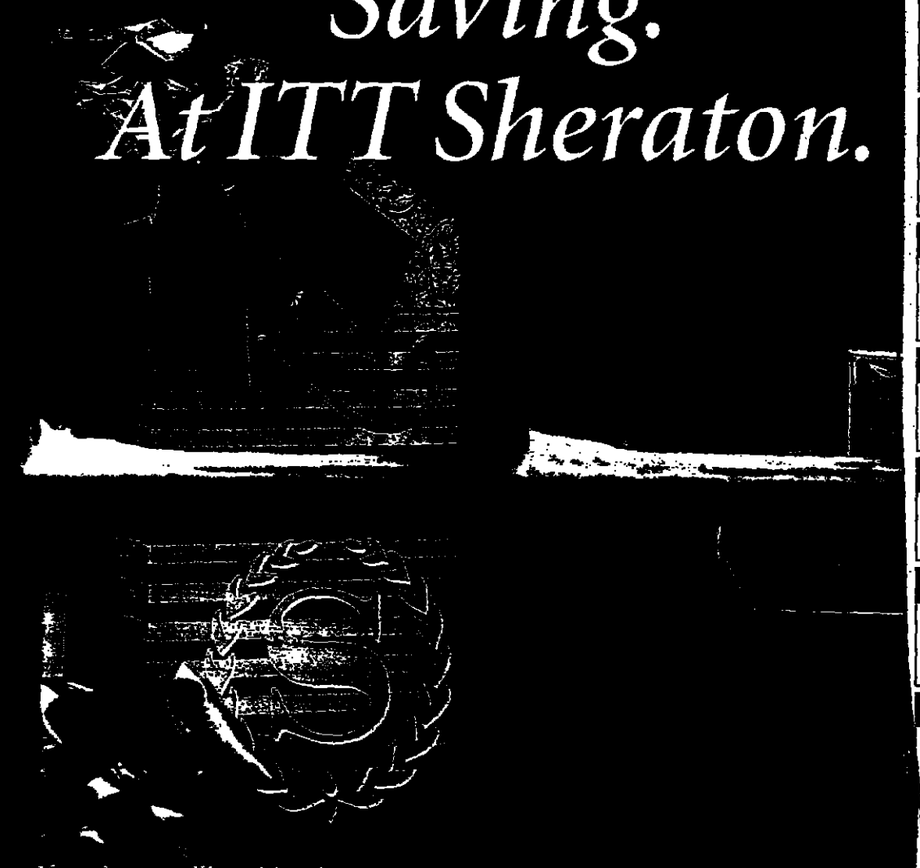

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Sheraton Grand Hotel, Edinburgh	UK £ ~~225~~ UK £ 83.40
Frankfurt, Germany	
Sheraton Frankfurt Hotel, Frankfurt	DM ~~645~~ DM 265
Taxes and service charges included	
Lisbon, Portugal	
Sheraton Lisboa Hotel & Towers, Lisbon	ESC ~~35,000~~ ESC 21,500
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Sheraton Skyline Hotel, London	UK £ ~~185~~ UK £ 80
Paris, France	
Sheraton Paris Airport Hotel Charles De Gaulle, Paris	FF ~~1,300~~ FF 800
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Rome, Italy	
Sheraton Roma Hotel & Conference Center, Rome	LIT ~~517,000~~ LIT 290,000
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Taxes and service charges included	
Salzburg, Austria	
Sheraton Salzburg Hotel, Salzburg	ATS ~~3,140~~ ATS 1,370
Stockholm, Sweden	
Sheraton Stockholm Hotel & Towers, Stockholm	SEK ~~2,090~~ SEK 1,040
Includes breakfast	
Taxes and service charges included	
Tel Aviv, Israel	
Sheraton Tel Aviv Hotel & Towers, Tel Aviv	US$ ~~245~~ US$ 178
Warsaw, Poland	
Sheraton Warsaw Hotel and Towers, Warsaw	US$ ~~240~~ US$ 130
Zurich, Switzerland	
Sheraton Atlantis Hotel, Zurich	SFR ~~325~~ SFR 185
Taxes and service charges included	

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INTERNATIONAL FUNDS December 11, 1996

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NOKIA 9000 Communicator

NYSE

Wednesday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere, *The Associated Press.*

Developing Nations Resist WTO Scrutiny

Malaysia Bars Group From Looking at Rights

By Michael Richardson
International Herald Tribune

SINGAPORE — As activist members of the World Trade Organization, led by the United States, Europe and Japan, seek to broaden their mandate this week, they are meeting strong resistance — chiefly from developing countries that fear an extension of WTO scrutiny of labor standards, business competition, investment and bidding for government contracts that could hurt their interests.

While officials involved in running the organization's first ministerial conference expressed confidence that a deal could be worked out, Agence France-Presse reported early Thursday that delegates had failed to resolve their differences on a declaration on labor standards.

Malaysia said that there was "no way" it would let the WTO get involved in the issue of workers' rights.

Because the organization must operate by consensus, such a strong objection from one country could be enough to prevent agreement on the wording of the final declaration to be issued by the conference Friday.

The United States, backed by France and a number of other European nations, says the declaration should draw a link between trade and labor standards.

Malaysia and many other developing countries say such a move is a disguised form of protectionism, using international trade rules and sanctions to raise Third World labor costs.

Rafidah Aziz, Malaysia's minister of international trade and industry, said Malaysia would allow workers' rights to be mentioned in the final declaration, provided it said that the issue did not belong in the WTO and should remain in the hands of the International Labor Organization.

But delegates said the U.S.-led group was insistent that the organization retain some follow-up study role, if only in conjunction with the International Labor Organization.

Mrs. Rafidah, who presides over an informal caucus of 15 developing countries, said the introduction of labor, investment and competition issues had dominated the Singapore meeting and diverted attention from a review of existing programs.

"Everything is centered upon issues that shouldn't be there in the first place," she said.

Egypt, India, Pakistan and a number of other developing countries say they want any study on the connection between trade and investment, on the one hand, and trade and competition on the other to be carried out by the UN Conference on Trade and Development, not the World Trade Organization.

Industrialized nations want the new issues placed on the WTO agenda because they regard them as vital adjuncts of trade liberalization.

The globalization of business and the

See RESIST, Page 19

Francis Silvan/Agence France-Presse
Trade Minister Rafidah Aziz of Malaysia speaking Wednesday in Singapore.

U.S. and EU on Brink Of High-Tech Pact

Other Nations Set to Join in Tariff Cuts

By Alan Friedman
International Herald Tribune

SINGAPORE — After three days of frenzied negotiations, the United States and the European Union agreed Wednesday on which products would be included in an accord to liberalize trade in information technology.

In doing so, they moved within a hair's breadth of sealing a bilateral deal that would pave the way for a broader global pact to cut tariffs on $500 billion a year of trade in computers, chips and telecommunications equipment.

Japan and Canada, meanwhile, said they would also be part of the accord, meaning that tariffs could be abolished on more than 60 percent of world trade in information-technology products.

U.S. and EU negotiators said the last outstanding information-technology issue would be discussed by Sir Leon Brittan, the EU trade commissioner, and Charlene Barshefsky, the U.S. trade representative, at a meeting Thursday. That issue concerns the time period for phasing out tariffs on semiconductors.

The United States wants semiconductor tariffs abolished sooner than 2000, possibly next year. EU officials said they would seek to adjust the phasing out of tariffs on other products as part of a bargain.

But both sides said they were confident the timing issue could be worked out. The negotiations, which executives say will have a tremendous impact on the information-technology market, are at the center of this week's inaugural ministerial meeting of the World Trade Organization.

Despite optimism that a deal was at hand, U.S. officials said late Wednesday that they were concerned about new demands from France over "unrelated issues outside the scope of the information-technology accord."

Even though the United States made a concession to France by agreeing to drop audio compact discs from the accord, Paris added a demand late Wednesday, threatening to withhold consent until it was satisfied with the WTO's final ministerial declaration.

In particular, France wants to avoid any commitment to begin preparations next year for a new round of trade talks on agriculture that are scheduled to start in 1999.

A French official told the International Herald Tribune on Wednesday night: "We don't want to kill the information-technology accord. We want this agreement. But we consider the ITA to be part of a global framework here at Singapore, and we want to wait until we are satisfied on all issues, including agriculture, labor standards and other parts of the final declaration. That could mean everything is resolved later on Thursday."

EU officials said they remained confident. One official said, "We consider that the information-technology deal is amicable, and it will hold."

EU and U.S. officials also said they hoped that as many as 10 other economies in Asia and elsewhere would sign on to the groundbreaking pact by the end of the week.

Among those considered likely to join this week are Hong Kong, Korea, Taiwan, Singapore and Australia.

If enough of them were to agree, that would represent a success at the meeting because it could bring tariff reductions to markets totaling around 80 percent of the world market.

In money terms, officials said, that could mean annual savings for industry and consumers of between $10 billion and $15 billion a year.

Although aides to Sir Leon confirmed they had almost closed the information-technology deal, they said the 15 EU trade ministers would still have to give their assent before it could be formally agreed.

The negotiators said that regardless of how many other parties signed up this week at Singapore, the accord would probably remain open until March to allow still others to join.

Yoshiji Nogami, director-general of the economic affairs bureau at the Japanese Foreign Ministry, expressed confidence over the deal, saying there remained "only a few details to be worked out."

Separately, Ms. Barshefsky will fly to Tokyo to resume talks Saturday on access to the $407 billion Japanese insurance market, just a day before a mutually agreed deadline.

Single Currency Gets a Symbol, but of What?

The logotype will be used in yellow on a clear background, or yellow on a blue backgroundground

International Herald Tribune

BRUSSELS — Proponents see it as a sign that Europe's single currency has gained irreversible momentum. Critics say it is a sign that Europe is trying to paper over its monetary divisions.

"It" is the European Union's proposed symbol of the future euro. Judging by the initial reaction in financial markets, it has a long way to go to win approval from the very people who will determine the success of the single European currency.

"It looks like a half-moon," said J. Paul Horne of Smith Barney in Paris. "For anyone looking at this thing as a store of value, it looks too fragile."

The symbol, unveiled Wednesday by the European Commission, is a vaguely avant-garde letter "e" — a "c" with two horizontal lines through the middle. The symbol will be yellow, the color of the EU's trademark stars, and it will be used on promotional materials for the launching of the single currency. Where it will not appear is on the euro notes themselves, the design of which will be unveiled Friday by the European Monetary Institute.

Commission officials acknowledge that the symbol is derivative, drawing on the commonly used yen symbol of a "y" with two lines and evoking the U.S. dollar sign. But officials deny any link between the design and the raging political debate over whether the euro should be a hard or a soft currency.

"We're not going to be forcing it down peoples' throats," an EU representative said. "But we hope it gains acceptance."

Wall Street Gets Greenspan Hangover As Rate Jitters Drag Down Prices

By Brian Knowlton
International Herald Tribune

WASHINGTON — U.S. stock prices tumbled Wednesday as investor wariness about interest rates combined with profit-taking to depress the market.

The Dow Jones industrial average closed down 70.73 points at 6,402.52, after having been down more than 100 points earlier. On the New York Stock Exchange, declining issues overwhelmed advancing ones by a 6-to-1 ratio.

A warning last week from Alan Greenspan, chairman of the Federal Reserve Board, about "irrational exuberance" on Wall Street has raised fears that the central bank might push short-term interest rates higher to dampen speculation in the stock market.

On Wednesday, analysts said, lingering nervousness about the Fed's intentions combined with a report that Japanese investors might reduce their purchases of U.S. Treasury bonds to depress the stock market. Reduced foreign demand for government bonds would put upward pressure on American interest rates, clouding the outlook for stocks, which have rallied for the past two years.

The price of the bellwether 30-year Treasury bond declined 1 23/32 points Wednesday, to 98 11/32, sending the yield up to 6.62 percent from 6.49 percent Tuesday.

Some analysts said that stock investors were merely looking for an excuse to secure gains near the end of a year when the market has gained more than 20 percent — nearly 500 points on the Dow Jones average last month alone — and questions are growing whether stock values were about to top out.

"A lot of professional portfolio managers are rather frightened now of giving up all their gains, and they're kind of rushing for the exits," said Michael Metz, chief investment strategist with Oppenheimer & Co. in New York.

"People have realized that the stock market does have some rules," said Laszlo Birinyi, president of Birinyi Associates in Greenwich, Connecticut, "and gravity does apply."

The declines on Wall Street followed a bad day on Asian and European markets. In Japan, the Nikkei 225 index closed 1.22 percent lower, and in London, the Financial Times-Stock Exchange 100-share index lost 1.32 percent of its value.

Analysts cited a number of possible reasons for the turbulence Wednesday, including a rumor, later denied, that International Business Machines would issue a profit warning and comments from Union Carbide, which did issue a gloomy profit warning.

But the biggest single drag on stocks seemed to come from the bond market, where investors were reacting to a news article that said Japanese investors might begin slowing their purchases of U.S. Treasury bonds.

Robert Hormats, vice chairman of Goldman Sachs International, told Reuters said he expected institutional investors in Japan to begin slowing the pace of their investments in U.S. Treasuries, but he foresaw no "wholesale pullback" in demand.

"The Japanese are no longer so willing to devalue their currency and prop up our bond markets," said Mr. Metz of Oppenheimer.

But Mr. Birinyi said the latest report on Japanese investors was not new, and he said the real reason for Wednesday's decline was an awareness that the stock market could not keep its strong upward surge forever.

"The bloom has come off the rose," he said.

On Friday, the stock market dropped 145 points in the first half-hour of trading, reacting to Mr. Greenspan's comments on Thursday, before rebounding to close down 55.16 points. It continued to recover Monday, but trading Tuesday was restrained amid continued fragility and doubts.

Many economists think that Mr. Greenspan's intention was to alert markets to concerns that stocks were being driven too high in a speculative frenzy that could lead to a calamitous bust.

Unduly high stock levels could also make it more difficult for the Fed to reduce short-term interest rates if a slowdown in economic growth suggested such a move. But lower rates would be expected to push stock prices even higher.

See STOCKS, Page 16

CURRENCY & INTEREST RATES

Cross Rates

Dec. 11

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.7295	2.862	1.1218	0.3314	0.1135*	—	5.441*	1.317	1.5315*	1.2685	1.333*
Brussels	31.8575	52.7875	20.42	6.0085	2.0820*	18.3825	—	24.255	0.2817	23.37	24.55*
Frankfurt	1.5427	2.5535	—	0.2954	0.1011*	0.8915	4.8503*	1.1779	1.3676*	1.1316	1.1884*
London (a)	1.6557	—	2.5518	8.620	2,525.52	2.8485	52.6723	2.174	186.8458	2.2561	214.7600
Madrid	129.85	214.993	84.254	24.861	8.51*	75.019	4.0814	98.526	115.315*	95.268	—
Milan	1,524.70	2,530.40	989.60	292.82	—	880.80	48.077	1,157.15	13.520	1,119.00	11.76
New York (b)	—	1.6520a	1.5379	5.197	1,522.00	1.7253	31.69	1.2895	112.97	1.3680	128.45
Paris	5.223	8.6475	3.385	—	0.3427*	3.0175	0.1642	3.9620	4.6203*	3.832	4.0215*
Tokyo	113.30	187.43	73.08	21.61	0.74	65.16	3.5482	85.54	—	82.25	0.8803
Toronto	1.3680	2.2473	0.8846	0.2618	0.0894*	0.7887	0.4296*	1.0586	1.2036*	—	1.082*
Zurich	1.3131	2.1752	0.8522	0.2527	0.086*	0.7595	4.1337*	—	1.1631*	0.9644	1.0122*
1 ECU	1.2548	0.7579	1.9302	6.5539	1,914.64	2.172	39.9289	1.6537	141.543	1.7108	162.975
1 SDR	1.4419	0.8711	2.2244	7.5389	2,200.08	2.4858	45.8914	1.809	163.293	1.9409	187.271

Closings in Amsterdam, London, Milan, New York, Paris and Zurich; fixings in other centers; Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	243.74	Mex. peso	7.86	S. Afr. rand	4.671
Australian $	1.266	Hong Kong $	7.7332	N. Zealand $	1.4393	S. Kor. won	839.30
Austrian sch.	10.861	Hung. forint	163.49	Norw. krone	6.451	Swed. krona	4.7936
Brazil real	1.036	Indian rupee	35.835	Phil. peso	26.27	Taiwan $	27.49
Chinese yuan	8.3294	Indo. rupiah	2352.88	Polish zloty	2.86	Thai baht	25.57
Czech koruna	27.49	Irish £	0.6024	Port. escudo	155.78	Turkish lira	103840.
Danish krone	5.91	Israeli shek.	3.2845	Russ ruble	5525.0	UAE dirham	3.6705
Egypt. pound	3.3925	Kuw dinar	0.297	Saudi riyal	3.75	Venez. boliv.	473.50
Fin. markka	4.6175	Malay. ring.	2.5215	Sing. $	1.3986		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6547	1.6534	1.6522	Japanese yen	112.32	111.83	111.39
Canadian dollar	1.3605	1.3580	1.3558	Swiss franc	1.3146	1.3109	1.3075
Deutsche mark	1.5400	1.5373	1.5346				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Dec. 11

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	3 1/16 - 3 3/16	1 15/16 - 2 1/16	6 1/8 - 6 1/4	3 5/16 - 3 7/16	3/8 - 1/2	4 1/8 - 4 1/4
3-month	5 3/8 - 5 1/2	3 1/16 - 3 3/16	1 7/8 - 2 1/8	6 1/8 - 6 5/16	3 5/16 - 3 7/16	7/16 - 1/2	4 3/16 - 4 5/16
6-month	5 7/16 - 5 9/16	3 1/8 - 3 1/4	1 7/8 - 2 1/8	6 3/16 - 6 1/2	3 1/4 - 3 3/8	7/16 - 1/2	4 3/16 - 4 5/16
1-year	5 5/8 - 5 11/16	3 1/4 - 3 3/8	1 15/16 - 2 1/16	6 1/2 - 6 5/8	3 3/8 - 3 1/2	1/2 - 5/8	4 1/8 - 4 1/4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 1/2	5 1/2
90-day CDs dealers	5.44	5.43
180-day CP dealers	5.25	5.25
3 month Treasury bill	4.84	4.82
1-year Treasury bill	5.20	5.15
2-year Treasury bill	5.80	5.64
5-year Treasury note	6.14	5.99
7-year Treasury note	6.24	6.08
10-year Treasury note	6.38	6.22
30-year Treasury bond	6.62	6.49
Merrill Lynch 30-day RA	4.93	4.93
Japan		
Discount rate	0.50	0.50
Call money	0.43	0.44
1-month interbank	0.53	0.53
3-month interbank	0.53	0.53
6-month interbank	0.56	0.56
10-year Gov't bond	2.49	2.45
Germany		
Lombard rate	4.50	4.50
Call money	3.10	3.10
1-month interbank	3.28	3.28
3-month interbank	3.24	3.24
6-month interbank	3.34	3.24
10-year Bund	5.86	5.76

Britain		
Bank base rate	6.00	6.00
Call money	5 15/16	5 15/16
1-month interbank	6 1/8	6 1/8
3-month interbank	6 5/16	6 5/16
6-month interbank	6 1/2	6 1/4
10-year Gilt	7.56	7.50
France		
Intervention rate	3.20	3.20
Call money	3 5/16	3 5/16
1-month interbank	3 1/4	3 5/16
3-month interbank	3 3/8	3 1/4
6-month interbank	3 7/16	3 1/4
10-year OAT	5.79	5.72

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	368.25	+ 0.05
London	369.60	368.25	Unch.
New York	370.70	370.60	+ 0.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

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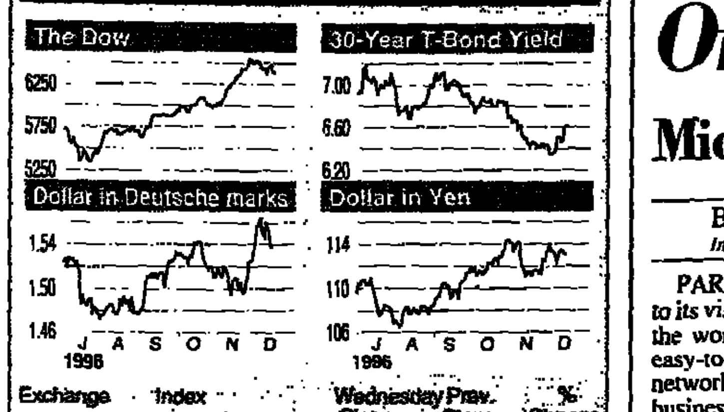
Investor's America

The Dow | 30-Year T-Bond Yield | Dollar in Deutsche marks | Dollar in Yen



Exchange	Index	Wednesday Close	Prev. Close	% Change
NYSE	The Dow	6402.52	6473.25	-1.09
NYSE	S&P 500	740.73	747.54	-0.91
NYSE	S&P 100	717.04	723.31	-0.87
NYSE	Composite	389.54	393.90	-1.11
U.S.	Nasdaq Composite	1307.03	1315.43	-0.64
AMEX	Market Value	583.92	590.79	-1.16
Toronto	TSE Index	5781.69	5919.88	-2.33
São Paulo	Bovespa	66777.90	68368.70	-2.36
Mexico City	Bolsa	3241.75	3307.06	-1.97
Buenos Aires	Merval	608.98	632.31	-3.69
Santiago	IPSA General	4995.27	5020.72	-0.51
Caracas	Capital General	5967.87	5988.87	-0.51

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

Aon to Buy Insurance Broker

CHICAGO (Bloomberg) — Aon Corp. said Wednesday it had agreed to buy Alexander & Alexander Services Inc. for about $1.23 billion, creating one of the biggest U.S. insurance-brokerage companies.

Aon said it would pay $17.50 for every Alexander common share, or $790 million, and would buy preferred shares held by the insurer American International Group Inc. for $317.5 million. AIG paid $200 million for the stake in June 1994 as part of a capital-raising plan by Alexander. Aon also will offer to convert Alexander's Series A preferred shares into $120 million in cash.

Aon's shares closed $1.25 higher at $58.875 on the New York Stock Exchange. Alexander's shares were up $3.125 at $17.25.

• **Ford Motor Co.** will concentrate in 1997 on cutting costs instead of raising its 25 percent share of the U.S. auto market, the company's chairman, Alex Trotman, said.

• **AT&T Corp.** and **Prodigy Inc.** unveiled flat-rate pricing plans for their Internet-access services designed to match prices charged by many on-line rivals. Prodigy will offer its Prodigy Classic service at $19.95 a month; AT&T will drop the price for unlimited Internet access to $19.95 a month for customers who do not use AT&T long-distance service.

• **The biggest U.S. companies** underrepresent women on their boards, and that could affect their ability to compete in a global economy, according to a study by the research group Catalyst. Women hold only 626 of the 6,123 board seats at Fortune 500 companies, the group found, and 83 companies have no women on their boards.

• **Reuters Holdings PLC**, a financial-information distributor, plans to cut 170 jobs at its Reuters America unit and might close a news bureau and fire more workers in a cost-cutting drive.

• **Sun Television & Appliances Inc.** agreed to be acquired by **Gregg Appliances Inc.** for $87.1 million. *AP, Bloomberg*

Oracle Plans On-Line Service

Microsoft Rival Sticks to Network-Based Vision

By Mitchell Martin
International Herald Tribune

PARIS — Oracle Corp., hewing to its vision that consumers around the world will want inexpensive, easy-to-use computers linked to networks, plans to enter the on-line business in the near future, its chairman said Wednesday.

Lawrence Ellison, in an interview during a conference hosted by the database company, said Oracle would create a multimedia on-line service to encourage consumer demand for network computers.

"You'll see an announcement from us shortly," he said, although he refused to specify when the service would start. The company will provide the infrastructure but not the content, which would be supplied by third parties such as magazine publishers based on users' personal preferences, he said. The idea is similar to on-line services such as CompuServe Inc. and America Online but would include video as well as text.

Mr. Ellison broached the concept of $500 network computers in September 1995, and within a year many technology companies embraced the idea. Several manufacturers have begun selling network computers, which do not store information on disk drives and therefore can be much smaller and less expensive than personal computers. But much of the industry is planning to sell the machines to companies, which would use them in conjunction with corporate networks known as intranets.

Last month at Comdex, the computer-industry trade show in Las Vegas, top executives of leading technology companies said public communications systems were far too slow and limited to allow widespread use of consumer-based applications such as watching movies or interactive computing.

Bill Gates, chairman of Microsoft Corp. and the most visible opponent of the network computer, said at Comdex that he did not think people would want to give up personal computers.

Mr. Ellison, however, reiterated Wednesday his vision that network computers could be as ubiquitous as telephones. He said Oracle had devised software for a network-computer server, essentially an operating system that would compete with Microsoft's Windows programs but would be far less complex to install and use. The new Oracle server, he said, would only work with computers based on Intel Corp. processing chips.

Oracle's servers would be able to provide video over currently available telephone lines at speeds as low as 28,800 bits a second. Mr. Ellison said. Many modems currently operate at that rate, and network computers made by Oracle will come with software-based modems that run at 33,600 bits and can be upgraded as technology improves.

A related development was that Oracle network computers will accept plug-in memory cards that will contain programs. Mr. Ellison's original blueprint for network computing was that programs would reside on central servers such as those his company plans to provide.

Critics had said that the relatively low speeds available would make it difficult for the programs to work smoothly, but if much of the software were available on cartridges, this problem would be avoided.

For its on-line service, Mr. Ellison said, Oracle will seek a "series of affiliates all over the world" to help it provide the service. Oracle, however, will set standards so that users could obtain identical services in different countries.

Mr. Ellison also said he thought telephone companies, not cable-television companies, were the logical providers of information for network computers. In the United States, he said, "a lot of the cable-TV companies are under tremendous economic pressure from direct-broadcast satellite, and they don't have the balance sheets, never have had the balance sheets" of the telephone companies that were divested in the 1980s by AT&T Corp. These so-called Baby Bells, he said, "have the right skills, they can write the checks; it's a good combination."

STOCKS: *Prices Decline Sharply*

Continued from Page 15

So far, the Fed has not been pushed to alter monetary policy. Inflation has been subdued and economic growth has been expanding, but slowly and steadily.

The government on Wednesday announced that inflation at the wholesale level rose 0.4 percent in November, with energy prices showing their biggest increase since April.

But excluding the volatile food and energy sectors, wholesale prices edged up only 0.1 percent in November, following a 0.3 percent drop in October. So far this year, wholesale prices have been rising at an annual rate of 2.6 percent.

Given those data, analysts said they did not expect the Federal Reserve Board policy-making committee to change interest rates when it meets Tuesday.

"The numbers confirm a continuation of relatively low inflation in the underlying economy," Joseph Battipaglia, chief investment officer at Gruntal & Co., told Reuters.

Mr. Birinyi predicted continued choppiness in the markets for the next few weeks, but no more than a plus or minus 2 percent change by year's end.

Mr. Metz, on the other hand, who has long taken a bearish view of the market, believes the upper end of the stock market has essentially been reached.

"The whole bull scene for both stock and bond markets is over," he said. "I believe the market might have feeble rallies in the days ahead, but there's no upside here."

Both Mr. Metz and Mr. Birinyi, however, said that the country's underlying economic fundamentals were essentially sound.

■ Financial Issues Lead Drop

Shares in banking and financial issues led the stock-market slide, news agencies reported.

Banking issues, such as Citicorp, Norwest and NationsBank, slid as the threat of higher interest rates spurred worries about falling profit margins on lending.

Citicorp fell 3¼ to 100½; Norwest declined 1⅝ to 43. Nationsbank dropped 2¾ to 94¾.

Federal Home Loan Bank Mortgage Corp. dropped ⅞ to 112⅛, Federal National Mortgage Association fell 1½ to 38 and Travelers Group, parent of brokerage Smith Barney, fell 1⅛ to 43.

Leading the Dow industrials lower was Union Carbide, which slumped 2⅝ to 42¼ after it said rising costs for raw materials and energy were likely to reduce fourth-quarter earnings by about 42 cents a share.

But Philip Morris, another Dow component stock, rose 2⅜, to 119.

"The market's very fragile right here," said Richard Dickson, a technical analyst at Scott & Stringfellow Inc. in Richmond, Virginia.

The Nasdaq composite index closed 3.43 points lower at 1,309.12, as most technology issues fell. But a late rally in semiconductor stocks, led by a record high for Intel, helped trim the market's losses.

Intel soared 7¾ to a record 136 7/8 after Merrill Lynch, the country's biggest brokerage, raised next year's earnings estimate 17 percent to $9.00 a share, and said it expected Intel shares to reach $200 within a year.

America Online rose 1¼ to 37¼ even after its on-line competitor, Prodigy Inc., unveiled a flat monthly fee of $19.95 for unlimited

U.S. STOCKS

use of its Prodigy Classic service. Last week, Sprint rolled out its Internet service, offering for $19.95 a month for unlimited usage.

Last month, America Online also switched its pricing to $19.95.

Such measures could make all of the services vulnerable to more price wars.

But Gateway 2000 rose 2⅜ to 61½ after PaineWebber started coverage of the company's stock with an "attractive" rating. On Tuesday, the computer maker slid after saying that revenue growth in the fourth quarter would be less than last year's 40 percent gain over the third quarter, but said it saw no gross-margin pressure.]

U.S. Robotics was unchanged at 74⅝ after the company announced the establishment of its Japanese subsidiary, U.S. Robotics Kabushiki Kaisha. The subsidiary will house Japanese sales, marketing and support operations for most U.S. Robotics products.

Cascade Communications rose 5 to 66⅞ after the telecommunications equipment developer was raised to "strong buy" from "outperform" by analyst Neil Danzger at Morgan Stanley & Co.

General Electric fell 1⅞ to 97 after the diversified company's General Electric Capital subsidiary bought about $190 million in French property loans for undisclosed terms. The loans were purchased from Consortium de Realisation, a company set up to sell distressed assets of France's Credit Lyonnais.

DuPont fell 2½ to 92⅝, Monsanto dropped ⅞ to 39⅞, Dow Chemical fell 1¼ to 81¼ and Whirlpool slid 1⅛ to 47½.

(Bloomberg, AP)

Dollar Drops on Wall Street Sell-Off

Compiled by Our Staff From Dispatches

NEW YORK — The dollar ended lower against other major currencies Wednesday, hurt by a sell-off on Wall Street that reflected anxieties about a possible pullback by foreign investors from U.S. securities.

Speculation about problems in Europe's planned single currency before a European Union summit on monetary union this weekend also hurt the dollar, as did hints that German interest rates will not decline further.

The dollar finished at 112.97 yen, down from 113.45 yen Tuesday, at 1.5379 Deutsche marks, down from 1.5530 DM, at 5.1970 French francs, down from 5.2535 francs, and at 1.3095 Swiss francs, down from 1.3267 francs. The pound rose to $1.6532 from $1.6540. Published reports said Japanese investors might begin to shy away from U.S. securi-

FOREIGN EXCHANGE

ties as Japan's government stopped trying to push the yen lower. Japanese buying of U.S. securities has helped bolster the dollar throughout the year.

Japanese investors bought a net 2.14 trillion yen ($19 billion) of U.S. bonds in the six months ended Sept. 30, more than in all of 1995, according to the Japanese Finance Ministry.

"I think the dollar's decline is directly related to our asset markets and foreign capital leaving," said Talbott Young, vice president of foreign exchange at Signet Banking Corp. in Richmond, Virginia.

The mark derived further strength from comments by Ernst Welteke, a Bundesbank council member, who said there was no need to cut German interest rates at present.

More support came from Peter Schmidhuber, another Bundesbank council member, who said some countries' efforts at "window dressing" to meet economic criteria for monetary union showed clearly how far away consensus on the issue of stability was within the EU.

EU leaders have been trying to formulate a so-called stability pact that would force countries joining a single currency to adhere to the economic criteria set down by the Maastricht treaty.

(Bloomberg, Bridge News, AP)

AMEX

Wednesday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
[illegible]					

U. S. STOCK MARKET DIARY

Indexes

Standard & Poors

	High	Low	Close	Chg.
Industrials	878.23	861.18	871.34	—6.89
Transp.	549.77	540.63	544.57	—5.20
Utilities	198.44	195.56	196.63	—1.81
Finance	82.47	80.55	81.17	—1.30
SP 500	747.54	732.75	740.73	—6.81
SP 100	723.31	709.26	717.04	—6.27

NYSE

	High	Low	Last	Chg.
Composite	393.90	386.35	389.54	—4.36
Industrials	497.41	488.01	492.61	—5.00
Transp.	356.36	349.76	352.61	—3.75
Utility	257.55	252.81	254.23	—3.32
Finance	351.74	344.86	346.84	—4.90

Nasdaq

	High	Low	Last	Chg.
Composite	1307.03	1294.84	1307.03	—5.52
Industrials	1119.95	1110.20	1115.74	—14.03
Banks	1259.09	1255.57	1257.03	—7.38
Insurance	1416.93	1410.78	1410.78	—14.21
Finance	1562.61	1556.63	1559.70	—15.46
Transp.	905.33	901.44	901.92	—16.05

AMEX

	High	Low	Last	Chg.
	590.79	582.62	583.92	—6.87

Dow Jones Bond

	Close	Chg.
20 Bonds	103.16	— 0.30
10 Utilities	100.38	— 0.36
10 Industrials	105.94	— 0.24

Nasdaq (Most Actives)

	Vol.	High	Low	Last
Intel	208311	137	128	136⅞
Microsft s	141540	83¾	80	83¼
DellCpt s	100737	60⅛	57¼	59⅝
SunMic s	91867	31¼	30	30⅞
Cisco s	78854	68¼	65⅝	68
MglTech	72681	½	⅜	½
Intel wt	69870	98	89	97¾
TeleComA	64899	13⅝	13	13⅛
Oracle s	57173	49½	47	48
CascCm s	51216	67⅛	62¾	66⅞
Gate2000	49644	62	58⅛	61½
3Com	49248	79⅞	75⅜	78⅝
MCI	46600	31½	31	31⅛
Tellabs s	45804	42¼	39½	40⅞
ESSTech n	43455	26	23	25⅛

AMEX (Most Actives)

	Vol.	High	Low	Last
PegGld	21412	9	8⅞	8⅞
SPDR	17200	74⅝	73⅝	74
EchoBay	12483	7½	6¾	6⅞
Unilab	9715	½	⅜	⅜
IvaxCp	8159	10½	10⅛	10⅜
ViacB	6369	38⅛	37⅛	38⅛
Ampex n	5578	10⅝	10⅛	10⅝
TubMex	4074	15	14⅞	14⅞
EmoCar	3938	4⅝	4½	4⅝
XCL Ltd	3903	⅛	⅛	⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	524	1410
Declined	2148	1155
Unchanged	668	787
Total issues	3340	3352
New Highs	55	203
New Lows	52	19

Nasdaq

	Close	Prev.
Advanced	1323	2098
Declined	2792	2013
Unchanged	1635	1641
Total issues	5750	5752
New Highs	73	223
New Lows	131	115

AMEX

	Close	Prev.
Advanced	153	264
Declined	431	261
Unchanged	176	224
Total issues	760	749
New Highs	18	33
New Lows	19	7

Market Sales

	Today Close	Prev. cons.
NYSE	494.19	558.65
Amex	22.61	27.74
Nasdaq	583.98	676.52

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
CarltonComm Plc	x	.6804	3-4	4-22
GrandMetro Plc	x	.814	1-4	4-11
PhilippineLngDist	x	.06	12-19	1-15
x- approx amount per ADS before foreign tax.				
STOCK SPLIT				
Miller Inds 3 for 2 split.				
Tribune Co 2 for 1 split.				
INCREASED				
Angeles Mortgage	Q	.22	1-6	2-3
CFX Corp	Q	.22	12-20	1-17
Century Sou Banks	Q	.10125	12-15	1-6
FstCornwith Fin	Q	.20	12-31	1-15
Longview Fibre	Q	.16	12-24	1-10
Mackenzie Fncl g	S	.08	12-23	1-3
SecurityCapPacTr	Q	.325	2-7	2-20
SPECIAL				
Paccar Inc	-	1.50	12-20	1-6
INITIAL				
WorthingtonFds n	Q	.025	12-20	1-27
YEAREND				
Growth Fd Spain	-	1.00	12-16	12-31
MuniInsured Fd	-	.1052	12-20	12-30
MuniYld Enhance	-	.1664	12-20	12-30
MuniYld CA Ins II	-	.0758	12-20	12-30
MuniYld Florida	-	.2056	12-20	12-30
MuniYld Fund	-	.3086	12-20	12-30
MuniYld Insured II	-	.2252	12-20	12-30
MuniYld Insured	-	.2294	12-20	12-30
MuniYld NYInsurd	-	.1417	12-20	12-30
MuniYld Penna	-	.1618	12-20	12-30
Prudent Euro Grth	x	.56	12-13	12-18
Prudent GlblGen	x	1.75	12-13	12-18
Prudent Nat Res	x	1.94	12-13	12-18
Prudent Wld Glob	x	1.29	12-13	12-18
x- payable on classes A, B, C, and Z.				
Prud Worldint A	-	.439	12-13	12-18
Prud Worldint B	-	.399	12-13	12-18
Prud Worldint C	-	.399	12-13	12-18
Prud Worldint Z	-	.444	12-13	12-18
Tours MuniNYHld	-	.1871	12-20	12-30
Above category includes regular monthly and capital gains.				
REGULAR				
Caterpillar Inc	Q	.40	1-21	2-20
Essex Prop Tr	Q	.435	12-31	1-15
LTC Properties	Q	.34	12-31	1-27
Montana Power	Q	.40	1-10	2-1
No Ind PS adjpfA	-	.75	12-16	1-14
Ramco-Gershenson	-	.42	12-31	1-21
Star Banc Corp	Q	.47	12-31	1-15

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Dec. 11, 1996

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Dec 96	2.67¾	2.66	2.67½	+0.01	15,773
Mar 97	2.65	2.63	2.64½	+0.00¾	145,255
May 97	2.67½	2.65	2.66¾	+0.01½	52,715
Jul 97	2.68½	2.66¾	2.68	+0.01½	54,372
Sep 97	2.62½	2.61½	2.61½	+0.00¾	5,725
Est. sales N.A. Tue's. sales 53,114					
Tue's open int 310,741 up 6242					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Dec 96	231.70	228.30	231.60	+3.60	8,129
Jan 97	222.30	218.60	222.10	+3.70	26,377
Mar 97	216.00	211.00	215.90	+4.70	23,851
May 97	212.00	210.00	211.80	+3.50	14,211
Jul 97	211.20	209.00	211.10	+3.80	9,911
Aug 97	210.00	208.00	210.00	+4.00	2,013
Est. sales N.A. Tue's. sales 25,844					
Tue's open int 87,273 off 747					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Dec 96	23.05	22.84	23.00	+0.05	2,551
Jan 97	23.34	23.07	23.17	—0.02	31,977
Mar 97	23.73	23.47	23.56		28,764
May 97	23.98	23.69	23.84		13,761
Jul 97	24.20	23.93	24.06	—0.01	8,422
Aug 97	24.25	24.05	24.08	—0.05	1,832
Est. sales N.A. Tue's. sales 18,359					
Tue's open int 90,350 off 1187					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	6.92	6.86	6.91½	+0.06½	54,134
Mar 97	6.86½	6.79	6.86¼	+0.07¼	39,759
May 97	6.86	6.81	6.85½	+0.07½	23,417
Jul 97	6.86½	6.82	6.86	+0.07½	22,499
Aug 97	6.86	6.82	6.85½	+0.09½	2,777
Est. sales N.A. Tue's. sales 45,728					
Tue's open int 153,225 off 626					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Dec 96	4.00	3.92¼	3.99	+0.05½	1,115
Mar 97	3.86	3.79	3.82¾	+0.03½	33,028
May 97	3.58	3.54½	3.55½	+0.02¾	5,265
Jul 97	3.33½	3.30	3.32¾	+0.03	16,767
Est. sales N.A. Tue's. sales 12,666					
Tue's open int 57,503 up 682					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Dec 96	66.05	65.32	65.82	+0.17	11,202
Feb 97	63.10	62.48	62.92	+0.17	31,796
Apr 97	64.45	64.10	64.42	+0.07	21,107
Jun 97	62.70	62.35	62.55	—0.02	8,812
Aug 97	62.45	62.15	62.37	+0.02	7,787
Oct 97	65.00	64.70	64.82		6,027
Est. sales 18,068 Tue's. sales 18,978					
Tue's open int 88,052 off 604					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 97	66.10	65.40	65.90	—0.07	3,931
Mar 97	65.95	65.40	65.80	—0.07	4,094
Apr 97	66.40	65.90	66.30	—0.15	1,826
May 97	66.70	66.35	66.62	—0.15	2,685
Aug 97	68.40	68.00	68.30	—0.15	1,381
Sep 97	68.25	67.90	68.25	—0.05	324
Est. sales 2,020 Tue's. sales 1,640					
Tue's open int 14,440 up 89					
HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.					
Dec 96	58.55	57.32	57.62	—1.18	6,686
Feb 97	75.95	74.80	74.95	—0.90	14,494
Apr 97	71.70	70.95	70.97	—0.70	5,258
Jun 97	74.80	74.10	74.47	—0.38	5,040
Jul 97	71.95	71.40	71.50	—0.20	1,394
Aug 97	68.00	67.45	67.80	—0.12	896
Est. sales 10,207 Tue's. sales 11,789					
Tue's open int 34,872 off 1459					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	79.12	76.90	77.25	—1.87	4,352
Mar 97	78.37	76.30	76.62	—0.93	959
May 97	79.00	77.20	78.20	—0.67	597
Jul 97	79.80	77.30	78.30	—0.67	459
Aug 97	74.30	73.60	73.90	+0.50	103
Est. sales 2,642 Tue's. sales 2,439					
Tue's open int 6,432 up 162					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Dec 96	1327	1327	1327	—6	6
Mar 97	1390	1378	1387	+5	31,508
May 97	1411	1403	1409	+2	11,199
Jul 97	1435	1425	1433	+3	7,332
Sep 97	1449	1445	1452	+3	6,685
Est. sales 3,471 Tue's. sales 4,912					
Tue's open int 75,383 off 274					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Dec 96	119.00	118.00	119.00	+1.25	742
Mar 97	109.50	107.10	108.10	—0.10	15,624
May 97	106.90	104.75	105.50	—0.35	5,990
Jul 97	105.25	103.50	104.00	—0.40	1,825
Est. sales 7,281 Tue's. sales 9,566					
Tue's open int 26,397 up 289					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	10.43	10.34	10.42	+0.07	79,163
May 97	10.55	10.51	10.54	+0.03	30,726
Jul 97	10.56	10.53	10.55	+0.03	20,943
Oct 97	10.60	10.57	10.59	+0.07	12,686
Est. sales 8,974 Tue's. sales 12,320					
Tue's open int 149,563 up 977					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jan 97	91.60	90.30	90.85	—0.35	10,907
Mar 97	95.25	94.15	94.60	—0.25	10,294
May 97	98.25	97.50	97.75	+0.10	3,062
Jul 97	100.60	100.60	100.40	+0.40	651
Est. sales N.A. Tue's. sales 3,437					
Tue's open int 25,273					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Dec 96	369.40	368.20	368.80	+0.10	871
Jan 97			369.40	+0.10	
Feb 97	372.00	369.50	370.60	+0.10	92,225
Apr 97	373.90	371.80	372.80	+0.20	21,747
Jun 97	376.10	374.20	375.10	+0.20	16,045
Aug 97	378.40	376.40	377.40	+0.20	5,442
Oct 97	380.60	378.40	379.70	+0.20	2,367
Dec 97	382.40	381.40	382.10	+0.30	13,030
Est. sales N.A. Tue's. sales 14,971					
Tue's open int 185,516 up 969					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Dec 96	105.80	103.70	103.70	—0.75	6,545
Jan 97	103.40	102.30	102.60	+0.45	6,365
Feb 97	101.70	101.60	101.60	+0.80	1,370
Mar 97	101.15	99.60	100.35	+0.80	25,034
Apr 97	98.70	98.60	98.60	+0.85	916
May 97	97.55	96.20	96.85	+0.95	4,748
Jun 97			96.05	+0.95	742
Jul 97	96.20	95.25	95.30	+1.00	3,628
Aug 97			94.75	+1.00	570
Est. sales N.A. Tue's. sales 8,339					
Tue's open int 61,362 up 4					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Dec 96	485.0	475.5	480.2	—1.0	276
Jan 97			481.1	—1.2	23
Feb 97			483.5	—1.2	7
Mar 97	492.0	479.8	486.0	—1.2	56,954
May 97	494.5	486.5	490.4	—1.1	9,376
Jul 97	500.8	490.0	494.7	—1.1	8,347
Sep 97	499.0	499.0	499.2	—1.1	3,020
Dec 97	507.5	500.0	505.8	—1.1	4,493
Est. sales N.A. Tue's. sales 7,640					
Tue's open int 84,492 off 32					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97	373.50	369.10	372.40	+0.70	16,894
Apr 97	376.00	372.00	374.50	+0.80	10,977
Jul 97	378.00	376.00	377.50	+0.80	2,038
Oct 97	380.50	380.10	380.00	+0.70	1,074
Jan 98			383.00	+0.70	220
Est. sales N.A. Tue's. sales 2,277					
Tue's open int 31,203 up 198					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1485½	1486½	1476.00	1477.00
Forward	1516.00	1517.00	1507.00	1508.00
Copper Cathodes (High Grade)				
Spot	2213.00	2218.00	2280.00	2285.00
Forward	2163.00	2165.00	2134.00	2135.00
Lead				
Spot	670.00	671.00	662.00	663.00
Forward	678.00	679.00	669.00	670.00
Nickel				
Spot	6675.00	6685.00	6705.00	6715.00
Forward	6765.00	6770.00	6790.00	6795.00
Tin				
Spot	5745.00	5755.00	5750.00	5760.00
Forward	5785.00	5790.00	5790.00	5795.00
Zinc (Special High Grade)				
Spot	1023½	1024½	1016½	1018½
Forward	1048½	1049.00	1041.00	1043.00

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	95.03	95.00	95.01	—0.01	4,785
Jun 97	94.89	94.87	94.89	—0.03	2,137
Sep 97			94.79	—0.05	16
Est. sales N.A. Tue's. sales 517					
Tue's open int 6,938 off 1					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 96	107-22	107-04	107-05	— 175	29,460
Mar 97	107-14	106-28	106-295	— 19	120,682
Jun 97			106-22	— 185	2,369
Est. sales N.A. Tue's. sales 47,150					
Tue's open int 152,731 off 3178					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Dec 96	110-17	109-18	109-19	— 31	41,159
Mar 97	110-16	109-14	109-16	— 1 00	260,362
Jun 97	109-27	108-28	108-29	— 31	6,706
Est. sales N.A. Tue's. sales 71,658					
Tue's open int 308,287 up 87					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Dec 96	114-21	113-04	113-09	— 1 14	73,390
Mar 97	114-13	112-24	112-29	— 1 15	392,123
Jun 97	113-15	112-09	112-13	— 1 15	15,037
Sep 97	112-05	111-30	111-30	— 1 15	4,558
Est. sales N.A. Tue's. sales 250,080					
Tue's open int 487,236 off 2807					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Dec 96	110-17	110-08	109-31	— 0-28	9,774
Mar 97	109-26	109-07	109-09	— 0-28	133,808
Jun 97	N.T.	N.T.	108-19	— 0-28	12
Est. sales: 64,792. Prev. sales: 48,861					
Prev. open int.: 143,594 off 4,372					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 97	100.59	100.64	99.96	— 0.84	224,553
Jun 97	99.30	99.30	99.07	— 0.84	86
Est. sales: 208,119. Prev. sales: 156,356					
Prev. open int.: 224,639 up 1,360					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Dec 97	128.56	128.00	128.28	— 0.42	107,462
Mar 97	128.64	128.08	128.38	— 0.42	99,252
Jun 97	127.38	126.98	127.18	— 0.42	8,692
Est. volume: 270,717. Open int.: 215,406 up 21.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 97	128.14	127.59	127.80	— 0.68	82,034
Jun 97	N.T.	N.T.	127.35	— 0.70	505
Est. sales: 47,208. Prev. sales: 42,532					
Prev. open int.: 82,541 off 230					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Dec 96	94.480	94.460	94.470	—10	363,380
Jan 97	94.520	94.490	94.490	—10	8,452
Feb 97	94.500	94.470	94.470	—10	2,504
Mar 97	94.480	94.430	94.440	—10	484,344
Jun 97	94.370	94.290	94.300	—10	299,896
Mar 00	93.520	93.420	93.430	—150	36,780
Jun 00	93.460	93.360	93.360	—160	36,103
Sep 00	93.410	93.310	93.310	—160	30,389
Est. sales N.A. Tue's. sales 195,443					
Tue's open int 2,365,253 off 9945					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Dec 96	1.6608	1.6492	1.6514	—8	40,242
Mar 97	1.6580	1.6460	1.6480	—8	15,007
Jun 97	1.6410	1.6410	1.6440	—8	2,205
Sep 97			1.6390	—8	1,012
Est. sales N.A. Tue's. sales 12,918					
Tue's open int 58,466 off 934					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Dec 96	.7364	.7330	.7351	—13	29,095
Mar 97	.7409	.7371	.7393	—15	38,316
Jun 97	.7445	.7406	.7430	—16	8,398
Sep 97	.7474	.7440	.7463	—17	2,665
Est. sales N.A. Tue's. sales 16,392					
Tue's open int 78,507 off 472					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 96	.6521	.6447	.6503	+62	45,854
Mar 97	.6560	.6477	.6540	+63	37,378
Jun 97	.6585	.6514	.6579	+64	4,194
Sep 97	.6622		.6618	+65	1,612
Est. sales N.A. Tue's. sales 22,784					
Tue's open int 89,039 up 1363					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 96	.008879	.008829	.008853	+28	36,175
Mar 97	.008998	.008938	.008966	+29	37,208
Jun 97	.009110	.009080	.009083	+30	1,157
Est. sales N.A. Tue's. sales 39,309					
Tue's open int 74,579 off 347					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Dec 96	.7668	.7550	.7636	+87	36,961
Mar 97	.7729	.7604	.7699	+90	35,618
Jun 97	.7785	.7750	.7766	+94	1,306
Est. sales N.A. Tue's. sales 31,548					
Tue's open int 73,935 up 4815					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Dec 96	96.76	96.74	96.75	— 0.01	188,640
Mar 97	96.84	96.82	96.83	— 0.01	207,199
Jun 97	96.79	96.76	96.78	— 0.01	175,149
Sep 97	96.67	96.63	96.64	— 0.04	139,875
Dec 97	96.46	96.41	96.42	— 0.06	121,085
Mar 98	96.23	96.17	96.19	— 0.06	78,468
Jun 98	95.96	95.91	95.92	— 0.07	57,999
Sep 98	95.67	95.61	95.62	— 0.08	54,219
Dec 98	95.36	95.30	95.31	— 0.09	49,060
Mar 99	95.07	95.01	95.01	— 0.09	34,017
Jun 99	94.79	94.74	94.73	— 0.10	19,481
Sep 99	94.50	94.49	94.47	— 0.10	13,930
Est. sales: 122,514. Prev. sales: 94,883					
Prev. open int.: 1,139,222 up 6,082					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Dec 96	93.61	93.58	93.60	— 0.02	98,135
Mar 97	93.45	93.39	93.42	— 0.01	92,687
Jun 97	93.17	93.11	93.14	— 0.02	86,980
Sep 97	92.96	92.90	92.93	— 0.04	55,928
Dec 97	92.78	92.73	92.75	— 0.06	40,579
Mar 98	92.66	92.62	92.63	— 0.06	30,062
Jun 98	92.57	92.53	92.54	— 0.07	23,266
Sep 98	92.49	92.44	92.45	— 0.06	19,386
Dec 98	92.41	92.37	92.37	— 0.08	16,212
Mar 99	92.35	92.32	92.34	— 0.07	7,917
Jun 99	92.32	92.29	92.28	— 0.09	5,215
Sep 99	92.29	92.24	92.24	— 0.11	4,267
Est. sales: 48,988. Prev. sales: 36,762					
Prev. open int.: 471,734 off 1,322					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Dec 96	96.52	96.49	96.51	— 0.01	35,248
Mar 97	96.55	96.51	96.54	— 0.02	63,048
Jun 97	96.51	96.47	96.50	— 0.02	37,980
Sep 97	96.47	96.43	96.45	— 0.04	26,818
Dec 97	96.41	96.37	96.39	— 0.05	19,469
Mar 98	96.29	96.24	96.25	— 0.06	14,499
Jun 98	96.12	96.05	96.05	— 0.06	11,243
Sep 98	95.85	95.80	95.81	— 0.05	10,070
Dec 98	95.53	95.50	95.51	— 0.05	7,973
Mar 99	95.23	95.20	95.21	— 0.05	11,429
Jun 99	94.95	94.92	94.94	— 0.04	5,502
Sep 99	94.72	94.65	94.70	— 0.06	2,552
Est. volume: 45,917. Open int.: 245,821 up 1,848.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Dec 96	92.79	92.70	92.75	— 0.02	59,883
Mar 97	93.54	93.45	93.50	— 0.02	84,680
Jun 97	93.88	93.82	93.85	— 0.04	50,250
Sep 97	94.01	93.96	93.98	— 0.04	28,145
Dec 97	94.03	93.98	93.99	— 0.05	14,301
Mar 98	93.99	93.95	93.96	— 0.06	12,642
Est. sales: 46,242. Prev. sales: 33,765					
Prev. open int.: 249,901 up 1,142					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	74.45	74.10	74.17	—0.36	36,120
May 97	77.49	77.07	77.13	—0.42	10,487
Jul 97	78.15	77.85	78.13	—0.32	7,421
Oct 97	77.35	77.18	77.45	—0.40	1,242
Dec 97	77.30	76.71	76.83	—0.62	9,022
Mar 98			77.73	—0.68	384
Est. sales N.A. Tue's. sales 4,519					
Tue's open int 55,276 up 29632					
HEATING OIL (NMER) 42,000 gal - cents per gal					
Jan 97	69.75	66.40	66.85	—2.77	35,146
Feb 97	69.05	66.20	66.40	—2.70	25,294
Mar 97	66.70	64.30	64.50	—2.38	12,963
Apr 97	62.75	61.00	61.80	—2.20	8,630
May 97	59.80	58.25	58.25	—2.05	4,106
Jun 97	58.00	56.60	56.40	—2.00	5,485
Jul 97	57.25	54.25	56.25	—1.80	2,875
Aug 97	56.35	56.35	56.35	—1.50	3,152
Sep 97	57.00	56.75	57.00	—1.20	2,840
Oct 97	57.30	57.30	57.30	—1.20	1,684
Est. sales N.A. Tue's. sales 45,346					
Tue's open int 109,828 off 3256					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jan 97	24.47	23.15	23.30	—1.12	73,456
Feb 97	24.04	22.73	22.85	—1.11	67,457
Mar 97	23.37	22.20	22.42	—1.09	37,425
Apr 97	22.81	21.80	21.95	—0.90	20,752
May 97	22.32	21.50	21.50	—0.84	15,524
Jun 97	21.82	21.00	21.05	—0.82	29,302
Jul 97	21.35	21.20	21.27	—0.18	15,159
Aug 97	20.86	20.54	20.60	—0.48	13,150
Sep 97	20.54	20.20	20.20	—0.52	15,959
Oct 97	20.20	20.10	20.10	—0.34	8,180
Nov 97	19.92	19.70	19.75	—0.42	8,512
Dec 97	19.80	19.30	19.30	—0.42	24,349
Jan 98	19.37	19.37	19.37	—0.35	7,282
Est. sales N.A. Tue's. sales 105,759					
Tue's open int 381,188 off 54					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jan 97	3.520	3.300	3.460	+64	34,389
Feb 97	3.250	3.080	3.220	+90	24,982
Mar 97	2.890	2.740	2.865	+100	14,720
Apr 97	2.470	2.395	2.450	+40	8,282
May 97	2.310	2.270	2.290	+10	7,119
Jun 97	2.220	2.170	2.200	+5	6,001
Jul 97	2.215	2.175	2.200	+5	5,998
Aug 97	2.200	2.180	2.190	—5	5,460
Sep 97	2.210	2.180	2.190	—10	5,419
Oct 97	2.220	2.200	2.210	—18	5,830
Nov 97	2.295	2.280	2.280	—26	3,386
Est. sales N.A. Tue's. sales 36,430					
Tue's open int 147,613 up 3875					
UNLEADED GASOLINE (NMER) 42,000 gal - cents per gal					
Jan 97	67.10	62.80	63.30	—3.56	27,311
Feb 97	66.60	62.85	63.30	—3.29	15,259
Mar 97	66.10	63.85	63.70	—2.74	8,431
Apr 97	67.40	65.00	65.30	—2.64	3,898
May 97	66.80	64.50	64.80	—2.44	2,680
Jun 97	64.00	63.50	64.80	—1.99	2,457
Est. sales N.A. Tue's. sales 24,112					
Tue's open int 61,758 off 840					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Dec 96	209.50	202.75	202.75	—10.25	8,433
Jan 97	210.50	204.75	205.00	— 9.75	28,875
Feb 97	206.00	200.50	200.75	— 9.25	12,489
Mar 97	198.75	194.25	195.00	— 8.00	7,945
Apr 97	191.50	187.75	188.25	— 7.00	5,340
May 97	186.00	183.50	183.00	— 6.75	3,052
Jun 97	182.00	178.00	178.25	— 6.75	7,288
Jul 97	180.75	179.00	177.50	— 6.25	1,189
Aug 97	179.00	178.50	177.00	— 6.00	699
Sept 97	179.00	178.00	176.75	— 5.75	395
Oct 97	179.00	177.75	176.50	— 5.75	898
Est. Sales: 39,403. Open Int.: 78,700 up 96					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Jan 97	23.07	22.00	22.15	— 1.14	29,036
Feb 97	22.58	21.50	21.64	— 1.12	48,768
Mar 97	22.02	21.08	21.17	— 0.99	31,854
Apr 97	21.47	20.58	20.67	— 0.93	13,587
May 97	20.96	20.42	20.18	— 0.91	9,124
June 97	20.48	20.05	19.71	— 0.89	11,474
July 97	20.09	19.85	19.35	— 0.86	9,485
Aug 97	19.33	19.33	19.03	— 0.84	2,182
Sep 97	N.T.	N.T.	18.74	— 0.83	5,278
Oct 97	N.T.	N.T.	18.47	— 0.82	2,343
Est. sales: 57,180. Open int.: 167,952 off 3,994					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Dec 96	747.85	732.00	740.50	—7.50	150,263
Mar 97	751.00	739.00	747.50	—7.60	70,844
Jun 97	757.50	747.00	752.00	—9.85	4,957
Est. sales N.A. Tue's. sales 84,286					
Tue's open int 227,358 off 1082					
FTSE 100 (LIFFE) £25 per index point					
Dec 96	4014.0	3995.0	3973.0	— 71.0	42,158
Mar 97	4030.0	4019.0	3990.0	— 72.5	22,304
Jun 97	4018.0	4018.0	4010.0	— 72.5	2,109
Est. sales: 31,388. Prev. sales: 18,498					
Prev. open int.: 66,571 off 511					
CAC 40 (MATIF) FF200 per index point					
Dec 96	2243.0	2206.0	2215.0	— 42.00	26,090
Jan 97	2245.0	2214.5	2219.5	— 42.00	3,988
Feb 97	N.T.	N.T.	2226.0	— 42.00	1,075
Mar 97	2249.0	2227.0	2230.5	— 42.00	9,022
Jun 97	N.T.	N.T.	2199.0	— 42.00	365
Sep 97	N.T.	N.T.	2206.5	— 42.00	6,070
Mar 98	N.T.	N.T.	2244.0	— 42.00	4,758
Sep 98	N.T.	N.T.	2221.0	— 42.00	710
Est. volume: 29,599. Open int.: 52,073 off 9.					

Commodity Indexes

	Close	Previous
Moody's	1,428.20	1,427.20
Reuters	1,860.00	1,846.60
D.J. Futures	144.77	145.32
CRB	240.48	240.92

صكرا من الاصل

EUROPE

Hoechst's Plan to Unite Drug Ventures Advances

Compiled by Our Staff From Dispatches

PARIS — Accelerating its push into the pharmaceuticals business, Hoechst AG on Wednesday offered 18 billion French francs ($3.43 billion) for the shares of the French drugmaker Roussel Uclaf SA it did not already own.

The German chemical company's offer of 1,530 francs a share for the remaining 43.5 percent of Roussel came a day after it agreed to combine its specialty-chemicals unit with that of Clariant AG of Switzerland, shedding as much as 4 billion Deutsche marks ($2.57 billion) in debt and giving it leeway to build up its more profitable drugs unit.

Hoechst said acquiring Roussel would bring it one step closer to combining all its drugs businesses under Hoechst Marion Roussel, its wholly owned U.S. subsidiary, and selling shares in the company in the United States, France and Germany.

"We want to acquire the minority stake in Roussel Uclaf to be able to integrate our pharmaceutical operations worldwide in one company," Klaus Schmieder, chief financial officer of Hoechst, said. "Hoechst Marion Roussel will come out as a strong player among pharmaceutical companies worldwide."

Mr. Schmieder said Hoechst had made concessions to the French government as part of the deal because Enterprise de Recherches & d'Activites Petrolieres, a French state-owned holding company, owned a stake in Roussel.

"We decided to go into discussions and ended up discussing with the French government, in a friendly manner, the commitments we would undertake," Mr. Schmieder said.

After the buyout, Roussel will maintain pre-clinical and clinical development in France, as well as run a major research center at Romainville. Roussel will continue to make chemicals and plans to create 700 jobs in 1997-99. It also will maintain 220 million francs in financing for research programs with public health authorities.

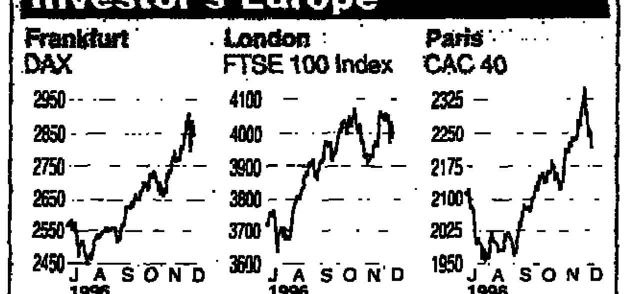
Hoechst will retain its ranking as the world's fourth-largest drug company, behind Glaxo Wellcome PLC, Novartis AG — the Swiss company being formed by the merger of Sandoz AG and Ciba-Geigy AG — and Merck & Co.

Hoechst's offer represented a 6.3 percent premium over the company's closing share price in Paris on Tuesday, when it rose 39 francs, or 2.8 percent, to a record of 1,439. Its shares were suspended from trading Wednesday. The stock has risen 31 percent since August amid speculation of a takeover.

In Frankfurt, Hoechst shares fell 0.05 DM to close at 70.85.

(Bloomberg, Reuters)

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	EOE	610.56	622.33	-1.89
Brussels	BEL-20	1,871.55	1,882.14	-0.56
Frankfurt	DAX	2,841.85	2,891.00	-1.73
Copenhagen	Stock Market	461.86	463.70	-0.57
Helsinki	HEX General	2,434.25	2,491.99	-2.32
Oslo	OBX	518.71	521.64	-2.10
London	FTSE 100	3,982.50	4,035.70	-1.32
Madrid	Stock Exchange	405.27	411.26	-1.46
Milan	MIBTEL	10,226.00	10,345.00	-1.15
Paris	CAC 40	2,213.28	2,251.40	-1.69
Stockholm	SX 16	2,427.23	2,479.32	-2.10
Vienna	ATX	1,121.88	1,127.97	-0.54
Zurich	SPI	2,464.85	2,481.74	-0.68

Source: Telekurs — International Herald Tribune

Volvo and Daimler Units Start an Engine Project

Compiled by Our Staff From Dispatches

TROLLHAETTAN, Sweden — Volvo Aero AB and MTU Muenchen, a unit of Daimler-Benz Aerospace AG, said Wednesday they planned to coordinate technology and product development on low-pressure turbines for civilian aircraft engines.

The project, which is expected to last 20 years, is valued at 4 billion kronor ($586.1 million) in sales over the period for Volvo Aero, the unit of Volvo AB said. Last year, Volvo Aero had sales of 3.79 billion kronor.

Under the agreement, Volvo Aero will join MTU in an engine project with Pratt & Whitney, a unit of United Technology Corp. MTU has a 12.5 percent stake in Pratt & Whitney.

Volvo Aero initially will work on the PW-4084 engine, the largest aircraft engine now being made, which is aimed mainly at Boeing Co.'s newest wide-body twin jet, the 777. Pratt & Whitney's main competitors in the industry are General Electric Co. and Rolls Royce PLC.

Volvo Aero said the project would create an estimated 200 jobs at its plant in Trollhaettan, 350 kilometers (220 miles) southwest of Stockholm. Production at the plant is expected to rise 10 percent as a result of the cooperation, the company said.

Volvo Aero said the two companies were planning other joint activities aimed at broader collaboration in development of new engines.

The president of Volvo Aero, Arne Wittloev, said the company had "taken an important step to enhance European efficiency and competitiveness to better meet the overall customer demand in low cost and high quality."

Rainer Hertrich, president of MTU, said the move heralded "an intensification of the collaboration among the European engine makers" and would enable MTU to compete more effectively.

The deal is expected to lift revenue at Volvo Aero by 200 million kronor a year, the company said. It is also expected to improve results at MTU, which posted a loss last year but is forecast to return to profit this year on sales of more than 2 billion Deutsche marks ($1.29 billion).

"It's certainly one further step to get into profit," a representative of Daimler-Benz AG, parent of the aerospace company, said. "It will certainly make a significant contribution."

Volvo Aero makes engines for military and civil aircraft. The company is part of a European consortium to develop and produce rocket-engine components. The unit accounts for about 2 percent of Volvo AB's total sales.

Both Volvo Aero and MTU expect substantial cost savings to result from the cooperation, Volvo Aero said, adding that neither partner was expected to lose any technological edge in the areas involved in the project. Volvo Aero will concentrate on casings and MTU on blade, vane, disk and ring attachments.

(Bloomberg, AFX)

Austrian Powerhouse Due?

Bank Austria Weighs Bid for Creditanstalt

Compiled by Our Staff From Dispatches

VIENNA — Bank Austria AG, Austria's largest bank, said Wednesday it was considering buying a controlling stake in the nation's second-largest bank, Creditanstalt-Bankverein AG, to create a domestic banking powerhouse with 25 percent of the market.

The chief executive of Bank Austria, Gerhard Randa, planned to present details of the bank's bid for the federal government's 70 percent voting stake in Creditanstalt to Bank Austria's supervisory board late Wednesday.

A source close to Bank Austria's supervisory board confirmed that the bid would be close to the reported 16 billion schillings ($1.46 billion). "The headlines are not wrong," the source said.

According to a report in the daily Neue Kronen Zeitung, Bank Austria was ready to pay 804 schillings for each of the government's 19.9 million Creditanstalt ordinary shares. That is well above the market price of 719.5 schillings and a reported bid of 720 to 730 schillings a share submitted by an Austrian-German-Italian group led by the insurer EA-Generali.

EA-Generali's shares fell 4.5 percent after Bank Austria's announcement, while Creditanstalt's common shares rose 1.1 percent. Bank Austria's shares were suspended from trading.

Analysts predicted that Finance Minister Viktor Klima, who badly needs to raise revenue to reduce the budget deficit, would have difficulty turning down such a generous offer. The government set Monday as a deadline for bids for its stake.

If successful, the takeover could reshape Austria's crowded banking sector and end a 50-year tradition of sharing spoils on political lines.

Creditanstalt, founded in 1863 by the Rothschild family, has long been an ally of the conservative People's Party, the junior partner in the governing coalition. Bank Austria, controlled by the city of Vienna, is a bastion of the governing Social Democrats.

"This is a chance to free Creditanstalt, hostage of the People's Party, and end the "red" domination of Bank Austria," the far-right opposition leader Joerg Haider said. But Creditanstalt, once banker to the Habsburg rulers of the Austro-Hungarian empire, gave notice it would not become an easy target for Bank Austria. Creditanstalt's board and conservative politicians have publicly supported EA-Generali's bid to buy into the bank.

"This plan will destroy an attractive bank and open the door to foreigners," said a Creditanstalt executive, speaking on condition of anonymity. "It is not a privatization but under the guise of a privatization will polarize the whole sector."

A merger of Bank Austria and Creditanstalt would create a bank with combined net profit of 4.53 billion schillings, based on 1995 earnings. It would dwarf domestic competitors but would be relatively small by international standards.

Bank Austria is owned 46.25 percent by a trust controlled by the city of Vienna and 17 percent by the Austrian federal government, which holds a 70 percent Creditanstalt voting stake.

Should Bank Austria buy a majority in Creditanstalt, it would essentially mean that the city of Vienna was buying the nation's second-largest bank from the federal government.

"This type of merger would previously have been unthinkable on the Austrian political scene," said James Alexander, an analyst with Kleinwort Benson in London. "It's all euro-driven," he said, referring to the planned common European currency.

Georg Gradl, an analyst with Oesterreichische Volksbanken AG, said he doubted a takeover could overcome political hurdles.

The alternative, he said, may be a compromise that would allow Raiffeisen Zentralbank Oesterreich AG, the country's agricultural cooperative bank with conservative ties, to buy Postsparkasse Bank AG, the government-owned banking network located in post offices.

Such a merger would create a domestic "conservative" banking power that would act as a counterbalance to the merged and Socialist-led Bank Austria-Creditanstalt.

(Bloomberg, Reuters)

Very briefly:

- **Italy's** economy will grow less next year than the government is forecasting, and the budget deficit won't fall to the levels required for European economic and monetary union, two separate reports said. The Organization for Economic Cooperation and Development and the body representing Italian industry, Confindustria, both forecast that Italy's gross domestic product would grow 1.2 percent in 1997, compared with an official prediction of 2 percent.
- **Iraqi** oil reached Turkey on Wednesday afternoon, said Ahmet Bulca, a technical director with Turkey's state-owned pipeline company, Botas. He said Iraq was pumping oil through the pipeline at a rate of 350,000 barrels a day and would step up the flow to 440,000 barrels a day next week.
- **Reuters Holdings PLC** will eliminate 170 jobs at its Reuters America subsidiary as part of a global cost-cutting plan. Staff in other units may be cut, and some news operations, including its Nicosia bureau for Middle East reporting, may be closed, Reuters said.
- **Credit Foncier,** a French property-lending concern, is the object of an investigation by French prosecutors looking into alleged financial irregularities from 1992 to 1994, including "counts of distributing fictitious dividends, presenting inaccurate accounts and illegal conflict of interest," a government spokesman, Alain Lamassoure, said.
- **The American Technion Society** said it had received a promise of a $30 million gift to establish a business school dedicated to management of technology-based companies at Technion-Israel Institute of Technology in Haifa. The school will be named for William Davidson, president of **Guardian Industries Corp.**
- **Carrefour SA,** France's largest food retailer, acquired a 33.34 percent stake in **Societe GMB,** a family-owned company that controls the retailer **Groupe Cora.** The price was not disclosed.

Bloomberg, AP, Reuters

The Trib Index

Closing prices.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	146.31	-1.91	-1.29	+10.95
Regional Indexes				
Asia/Pacific	126.48	-2.07	-1.61	-5.79
Europe	154.38	-2.14	-1.37	+10.92
N. America	159.89	-1.28	-0.79	+24.64
S. America	109.21	-2.37	-2.12	+22.65
Industrial Indexes				
Capital goods	167.80	-1.92	-1.13	+26.28
Consumer goods	159.04	-1.23	-0.77	+15.19
Energy	160.51	-1.53	-0.94	+18.35
Finance	117.24	-2.02	-1.69	-7.85
Miscellaneous	156.17	-3.67	-2.30	+14.99
Raw Materials	173.39	-3.49	-1.97	+22.28
Service	132.04	-1.99	-1.48	+10.03
Utilities	138.35	-2.35	-1.67	+8.82

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

WORLD STOCK MARKETS

Wednesday, Dec. 11

Prices in local currencies.

Telekurs

Amsterdam

EOE Index: 610.56 Previous: 622.33

	High	Low	Close	Prev.
ABN-AMRO	107.50	105.50	106.70	109.20
Aegon	96.50	94	95.70	97.50
Ahold	103.50	101.10	103.10	104.60
Akzo Nobel	231.40	227.50	229.40	235
Boon Co.	62.30	60.50	61	62.80
Bols Wess cva	32	31.20	32	32
CSM cva	89.90	87.20	87.40	90
Dordtsche Pet	302	296	298.80	303
DSM	167	164.80	164.50	168.10
Elsevier	27.70	26.90	27.30	27.80
Fortis Amev	57	54.50	55.50	56.80
Getronics	46.10	44.70	46.10	46
G-Broc cva	51	50.20	50.90	51.50
Hagemeyer	134.50	131	132.80	136
Heineken	307.50	303	304.70	310.20
Hoogovens cva	71	69	70	71.90
Hunt Douglas	111.50	109.30	109.40	112.40
ING Group	57.80	56.60	57.50	58.50
KLM	47.80	46.90	47.40	47.90
KNP BT	37.60	36.80	37.50	37.80
KPN	64.20	62.70	63.60	65
Nedlloyd Gp	44.70	43.80	44.70	44.70
Nutricia	252	246.50	251.50	253.70
Oce Grinten	182.40	180	181	182.10
Philips Elec	67.80	65	66.20	68.60
Polygram	79.90	77.60	78.40	79.90
Randstad Hdg	128.70	125.10	126.50	127.30
Robeco	140.90	139.90	139.90	141.50
Rodamco	50.20	49.40	49.60	50.20
Rolinco	147.50	146.20	146.20	148.20
Rorento	105.20	105	105	105.20
Royal Dutch	283.60	279.60	283	286.10
Unilever cva	287.50	282.50	286.60	290.40
Vendex Intl	72.10	70.70	71.30	72.30
VNU	34.30	33.20	33.80	34.90
Wolters Kl cva	226.50	219.50	220.10	227.40

Bangkok

SET Index: 885.86 Previous: 889.46

	High	Low	Close	Prev.
Adv Info Svc	296	282	286	292
Bangkok Bk F	290	280	282	280
Krung Thai Bk	67.50	64	64.50	66
PTT Explor	378	368	378	370
Siam Cement F	844	832	836	828
Siam Com Bk F	210	204	204	200
Telecomasia	55	54	54	54.50
Thai Airways	45	41.50	44	42.50
Thai Farm Bk F	196	193	196	194
Utd Comm	200	193	198	200

Bombay

Sensex 30 index: 2941.36 Previous: 2798.57

	High	Low	Close	Prev.
Bajaj Auto	726	671	723.50	673
Hindust Lever	815	765.25	804.50	773.75
Hindust Petm	325	318.75	322.50	316.75
Ind Dev Bk	87	84	86.75	84
ITC	285.50	274	285.50	272
Mahanagar Tel	224	215.50	225.75	215.25
Reliance Ind	195	181.75	194.75	181
State Bk India	216.75	204.25	216.50	204.25
Steel Authority	16.50	16	16.50	13.50
Tata Eng Loco	329	306.75	328	306

Brussels

BEL-20 index: 1871.55 Previous: 1882.14

	High	Low	Close	Prev.
Almanij	10500	10450	10450	10500
Barco Ind	5480	5400	5440	5490
BBL	6620	6480	6590	6640
Bekaert	23350	23075	23225	23350
CBR	2685	2660	2675	2690
CMB	2005	1995	1995	2020
Cobepa	1200	1182	1200	1198
Cockerill	117	113	115	116
Colruyt	14350	14250	14325	14450
Delhaize Lion	1800	1760	1800	1805
Electrabel	7510	7450	7490	7530
Electrafina	2940	2900	2920	2940
Fortis AG	4930	4810	4885	4965
Gevaert	2090	2060	2070	2100
GIB	1426	1410	1426	1424
GBL	4145	4070	4140	4175
Gen Banque	11600	11450	11500	11675
Kredietbank	10225	10125	10225	10225
Petrofina	10150	9970	10100	10175
Powerfin	4855	4800	4850	4850
Royale Belge	6440	6350	6420	6450
Soc Gen Belg	2420	2400	2405	2430
Solvay	19350	19175	19350	19400
Tractebel	14600	14500	14525	14575
UCB	78900	78400	78900	78700
Union Miniere	2200	2180	2190	2195

Copenhagen

Stock Index: 461.86 Previous: 463.70

	High	Low	Close	Prev.
BG Bank	276	260	262	268
Carlsberg B	377	374	377	377
Codan Fors	790	780	790	780
Danisco	332	327.67	330	332
Den Danske Bk	439	433	438	437
D/S Svendbrg B	214500	213000	214500	215000
D/S 1912 B	147500	145000	145000	149000
FLS Ind B	776	770	773.33	775
Kob Lufthavne	630	607	608	620
Novo Nordisk B	1130	1030	1120	1130
Sophus Ber B	749	739	745	750
Tele Danmk B	300	292.56	293	301
Tryg Baltica	295	291	291	296
Unidanmark A	298	287	291	296

Frankfurt

DAX: 2841.85 Previous: 2891.00

	High	Low	Close	Prev.
AMB B	990	990	990	1005
Adidas	133.70	133	133.50	135.60
Allianz Hdg	2832	2820	2824	2856
Altana	1235	1220	1225	1240
Bk Berlin	28.90	28.15	28.30	28.80
BASF	60.90	60.20	60.50	62.18
Bayer Hypo Bk	45.10	44.70	44.60	45.75
Bay.Vereinsbank	62.88	60.50	62.74	63.40
Bayer	63.20	61.95	62.09	64.55
Beiersdorf	75.45	75	75.20	75.28
BMW	1052	1042	1042	1077
Commerzbank	36.88	36.50	36.85	36.85
Daimler Benz	100.60	100.10	100.15	102.85
Degussa	655	650	650.50	671
Deutsche Bank	72.40	72.10	72.23	73
Deut Telekom	32.33	32.05	32.17	32.62
Dresdner Bank	44.25	44.05	44.85	44.90
Fresenius	316	311	311	316
Fresenius Med	137.50	136.80	137	140.50
Fried. Krupp	244	240	244	244
Gehe	96.40	94.60	94.60	96
Heidelbg Zmt	117.50	117.50	117.50	119
Henkel pfd	73.40	72.90	73.05	74.30
Hochtief	59.50	58	59	60
Hoechst	71.70	70.50	70.85	70.90
Karstadt	523	512.50	512.50	527.50
Linde	934	926	934	940
Lufthansa	20.50	20.25	20.38	20.80
MAN	365.50	359.50	364	366.80
Mannesmann	656	651	651.50	667.50
Metallgesellschaft	31.05	30.50	30.75	31.20
Metro	126	125.10	125.20	128.30
Munch Rueck R	3678	3660	3678	3725
Preussag	360	354.50	358	360.30
RWE	66.30	65.60	65.80	67.55
SAP pfd	214.20	211	211	214.50
Schering	127	125.10	125.55	130.50
Siemens	73.40	72.80	73.20	74.28
Thyssen	274	270	274	274.50
Veba	89.40	88.10	88.32	89.94
VEW	505	500	505	490.50
Viag	607.50	604	606.90	610
Volkswagen	608	601.50	605	612

Helsinki

HEX General Index: 2434.25 Previous: 2491.99

	High	Low	Close	Prev.
Cultor 1	236	234	236	235
Enso A	38.50	37	37	38.50
Huhtamaki I	209	204	205	209
Kemira	58	56.50	57	58.90
Kesko	63.80	62.70	63	63.40
Merita A	14.70	14.10	14.30	14.60
Metra B	265	258	258	270
Metsa-Serla B	34.90	33.50	33.80	35
Neste	109.10	105.50	106	109.50
Nokia A	265	256	261	268
Orion-Yhtymae	164	160	160	163
Outokumpu A	77.10	75	75	77.30
Rautaruukki	43.50	41.70	42.20	43.50
Sampo Insur	327.90	322	322	330
UPM-Kymmene	97	93.70	94.10	97.70
Valmet	82	79.20	80	82

Hong Kong

Hang Seng: 13189.40 Previous: 13342.46

	High	Low	Close	Prev.
Amoy Props	11.35	10.85	11.25	11.15
Bk East Asia	34.60	33.70	33.80	34.40
Cathay Pacific	12.15	11.70	11.90	12.20
Cheung Kong	69.25	66.50	67.50	67.50
China Light	34.10	33.30	33.50	33.90
Chin Estates	9.05	8.75	8.80	8.85
Citic Pacific	41.20	40	40.50	40.70
Cons Elec Pwr	18.15	18.10	18.15	18.10
Dao Heng Bk	36.40	35.60	36.20	36.50
First Pacific	10.25	9.90	9.95	10.15
Great Eagle	32.90	32.10	32.40	32.50
Guangdong Inv	6.60	6.30	6.50	6.20
Guoco Group	43.20	42.50	43	42.80
Hang Lung Dev	17.15	16.60	16.85	16.75
Hang Seng Bk	93.50	90.25	91.50	92.50
Henderson Inv	9.40	9.05	9.15	9.20
Henderson Ld	77.25	75	75.75	75.25
HKR Intl	12.50	11.95	12.05	11.70
HK Aircraft	22.80	22.45	22.80	22.75
HK China Gas	15.40	14.90	15.15	15.15
HK Electric	27.05	26.10	26.45	26.30
HK Shang Htls	15.10	14.65	14.70	15
HK Telecomm	13.50	13	13.10	13.35
Hopewell Hdgs	5.15	4.98	5.05	5.10
HSBC Hdgs	162	158	159	161.50
Hutchison Wh	61	58.75	58.75	59.75
Hysan Dev	30.50	29.20	29.25	29.40
Johnson El Hdg	22.30	21.20	22	20.70
Miramar Hotel	15.65	15.40	15.40	15.55
Nat Mutual	7.40	7.20	7.35	7.10
New World Dev	49.60	48	48.20	50.25
Oriental Press	4.28	4.18	4.18	4.18
Shangri-La Asia	11.80	11.50	11.50	11.75
SHK Props	97.50	95	95.25	97
Shun Tak Hdgs	5.40	5.15	5.20	5.35
Sino Land Co.	9.90	9.50	9.80	9.90
Sth China Post	6.85	6.70	6.85	6.75
Swire Pac A	73.75	72	73	73.50
Tsim Sha Tsui	14.65	14.25	14.60	14.60
TV Broadcasts	29.30	28.90	29.15	29.20
Wharf Hdgs	39.90	38.30	38.60	39.50
Wheelock	22.50	22.10	22.25	22.45

Jakarta

Composite index: 626.57 Previous: 626.68

	High	Low	Close	Prev.
Astra Intl	5150	5000	5075	5000
Barito Pacific	1550	1500	1525	1575
Gudang Garm	10400	10100	10225	10050
Indah Kiat	1825	1775	1825	1800
Indocement	3650	3600	3625	3650
Indofood	4750	4700	4700	4750
Indorayon	1800	1775	1775	1800
Indosat	6475	6275	6350	6225
Kalbe Farma	2775	2750	2750	2750
Sampoerna HM	12950	12850	12850	12950

Johannesburg

All Market: 6606.12 Previous: 6664.36

	High	Low	Close	Prev.
AngloAm Corp	259	257	258	260
AngloAm Gold	381.25	380	380	380
AngloAm Ind	167	164.75	164.75	167
Barlow	40.90	40.30	40.45	41
C.G. Smith	22.50	22.30	22.40	22.50
De Beers	139	137.75	138	139.75
Driefontein	51.25	50.75	51	51
Freegold	25.85	25	25.25	25.25
Fst Natl Bk	22.85	22.30	22.45	22.50
Gencor	17	16.70	16.75	16.95
GFSA	138.50	138	138.50	139
Iscor	3.37	3.36	3.37	3.37
Johnnies Ind	52.25	51.50	52	53.25
Kloof Gold	38.50	37.20	38.45	37
Liberty Life	116.50	115.75	116.25	116.25
Minorco	97.50	96.50	96.75	97.50
Nedcor	65	64	64	65
Rembrandt Gp	42.90	42	42.30	42.90
Richemont	66	64.50	66	65.50
Rust Platinum	69.50	69	69	69
SA Breweries	115.75	113.75	114	116
Sappi	40.75	40.15	40.40	40.75
Sasol	56.75	56	56.75	57.25
SBIC	169	168.50	169	168.50
Tiger Oats	68.50	68.25	68.50	69

Kuala Lumpur

Composite: 1204.39 Previous: 1214.58

	High	Low	Close	Prev.
Genting	17.70	17.40	17.50	17.80
Hicom Hldgs	6.95	6.85	6.85	6.85
Mal Banking	27.25	26.25	27	26.75
Mal Intl Ship F	7.70	7.50	7.50	7.60
Public Bank F	5.25	5.10	5.25	5.10
Resorts World	12.60	12.10	12.10	12.10
Sime Darby	10.10	9.60	9.70	9.55
Telekom Mal	22.10	21.40	21.60	21.70
Tenaga	11.70	11.20	11.30	11.70
Utd Engineers	22.90	22	22	22.80

London

FT-SE 100: 3982.50 Previous: 4035.70

	High	Low	Close	Prev.
Abbey Natl	7.14	7	7.05	7.08
Allied Domecq	4.32	4.23	4.26	4.28
Anglian Water	5.52	5.33	5.44	5.60
Arjo Wiggins	1.58	1.53	1.55	1.61
Asda Group	1.21	1.19	1.20	1.21
Assoc Br Foods	4.42	4.35	4.42	4.36
BAA	4.87	4.78	4.85	4.86
Barclays	10.35	10.17	10.29	10.36
Bass	8.15	8	8.09	8.16
BAT Ind	4.90	4.83	4.86	4.88
Bank Scotland	2.97	2.84	2.87	2.97
BICC	2.70	2.65	2.69	2.72
Blue Circle	3.65	3.55	3.55	3.67
BOC Group	9.02	8.93	8.97	9.01
Boots	6.21	6.06	6.11	6.21
Rexam	3.43	3.37	3.37	3.37
BPB Ind	3.57	3.52	3.53	3.62
Brit Aerosp	11.26	11.20	11.23	11.31
Brit Airways	5.97	5.82	5.84	5.99
Brit Gas	2.20	2.14	2.16	2.19
Brit Petm	6.82	6.63	6.72	6.87
Brit Steel	1.71	1.65	1.68	1.65
Brit Telecom	3.96	3.86	3.90	3.96
BTR	2.55	2.45	2.52	2.51
Burmah Cast	10.92	10.58	10.82	10.63
Cable Wireless	4.54	4.44	4.46	4.56
Cadbury Schw	4.85	4.80	4.83	4.84
Caradon	2.38	2.30	2.30	2.39
Carlton Comm	5.02	4.88	4.96	5.01
Coats Viyella	1.33	1.28	1.28	1.31
Comml Union	6.68	6.43	6.48	6.68
Courtaulds	3.83	3.71	3.82	3.84
De La Rue	5.47	5.35	5.39	5.51
EMI Group	13.36	12.85	13.01	13.29
Eng China Cl	1.83	1.73	1.78	1.77
Enterprise Oil	5.96	5.81	5.92	5.85
Forn Colonial	1.51	1.49	1.50	1.53
Genl Accident	7.23	6.99	7.04	7.22
GEC	3.71	3.62	3.66	3.71
GKN	10.64	10.51	10.55	10.71
Glaxo	9.50	9.30	9.41	9.43
Granada Gp	8.83	8.65	8.73	8.81
Grand Met	4.40	4.32	4.37	4.39
GRE	2.69	2.62	2.65	2.68
Guinness	4.35	4.23	4.31	4.35
GUS	6.41	6.22	6.28	6.46
Hanson	0.84	0.79	0.81	0.84
Hillsdown Hdg	1.90	1.87	1.89	1.90
HSBC Hldgs	12.39	12.13	12.17	12.59
ICI	7.92	7.80	7.84	7.95
Inchcape	2.60	2.48	2.49	2.59
Kingfisher	6.21	6.11	6.19	6.26
Ladbroke	2.20	2.15	2.16	2.19
Land Sec	7.32	7.15	7.20	7.32
Laporte	6.60	6.42	6.43	6.69
Lasmo	2.21	2.15	2.18	2.22
Legal Genl Grp	3.65	3.52	3.59	3.59
Lloyds Abbey	6.57	6.50	6.51	6.56
Lloyds TSB Gp	4.25	4.15	4.17	4.24
London Elec	6.45	6.33	6.43	6.42
LucasVarity	2.34	2.28	2.31	2.32
Marks Spencer	4.92	4.83	4.88	4.92
MEPC	4.45	4.30	4.31	4.47
Mercury Asset	12.40	12.30	12.34	12.36
Natl Power	4.49	4.40	4.44	4.49
NatWest	6.73	6.63	6.67	6.72
Utd Utilities	5.82	5.70	5.73	5.82
Nthrn Foods	2.01	1.97	1.97	2.03
P&O	5.88	5.79	5.87	5.85
Pearson	7.18	7.08	7.13	7.17
Pilkington	1.49	1.43	1.47	1.48
PowerGen	5.74	5.62	5.67	5.74
Prudential	4.80	4.63	4.72	4.83
Rank Group	4.31	4.20	4.30	4.33
Reckitt Colm	6.87	6.69	6.73	6.96
Redland	3.68	3.55	3.58	3.66
Reed Intl	10.67	10.51	10.61	10.68
Rentokil	4.48	4.42	4.46	4.43
Reuters Hdgs	7.16	7.04	7.10	7.10
RMC Group	9.80	9.60	9.68	9.87
Rolls Royce	2.47	2.36	2.41	2.49
Royal Bk Scot	5.40	5.17	5.23	5.30
RTZ reg	9.60	9.44	9.55	9.66
Royal & Sun All	4.39	4.32	4.36	4.42
Safeway	3.84	3.74	3.77	3.85
Sainsbury	3.60	3.53	3.55	3.59
Schroders	15.34	15	15	15.29
Scot Newcastle	6.80	6.62	6.72	6.80
Scot Power	3.43	3.33	3.36	3.43
Sears	0.94	0.92	0.92	0.94
Severn Trent	6.65	6.53	6.56	6.73
Shell Trsp reg	9.87	9.60	9.69	9.81
Siebe	10.04	9.84	9.94	9.94
Smith Nephew	1.77	1.75	1.75	1.79
Smith (WH)	4.34	4.19	4.19	4.22
SmithKline	8.18	8.03	8.08	8.18
Smiths Ind	7.59	7.48	7.52	7.65
Sthern Elec	7.40	7.23	7.31	7.41
Stand Charter	6.83	6.67	6.79	6.78
Tate & Lyle	4.55	4.51	4.54	4.52
Tesco	3.46	3.41	3.43	3.46
Thames Water	5.73	5.62	5.71	5.73
3i Group	4.83	4.79	4.82	4.84
TI Group	5.42	5.33	5.37	5.45
Tomkins	2.52	2.45	2.49	2.52
Unilever	13.75	13.55	13.61	13.73
Utd Biscuits	2.03	1.95	1.98	1.99
Utd News	6.65	6.55	6.60	6.67
Vendome uts	5.49	5.42	5.44	5.46
Vodafone	2.48	2.45	2.46	2.47
Whitbread	7.79	7.65	7.70	7.78
Williams Hdgs	3.54	3.47	3.50	3.49
Wolseley	4.38	4.32	4.38	4.43
Zeneca	16.35	16.05	16.14	16.33

Madrid

Bolsa index: 405.27 Previous: 411.26

	High	Low	Close	Prev.
Acerinox	17740	17210	17300	17790
ACESA	1690	1680	1680	1700
Argentaria	5250	5140	5200	5290
BBV	6620	6570	6580	6650
Banesto	867	856	856	866
Bankinter	17850	17740	17780	17790
Bco Centro Hisp	3155	3100	3120	3185
Bco Exterior	2900	2750	2765	2775
Bco Popular	24300	23930	23950	24270
Bco Santander	7150	7030	7070	7200
CEPSA	3930	3875	3900	3940
Corp Mapfre	6950	6780	6830	6960
Dragados	1800	1780	1785	1800
Endesa	8630	8490	8490	8650
FECSA	1045	1025	1030	1045
Fomento Const	10500	10320	10380	10530
Gas Natural	27200	26500	26640	27200
Hidroel Cantab	4530	4485	4490	4540
Iberdrola	1650	1615	1625	1650
Pryca	2650	2575	2575	2630
Repsol	4650	4525	4540	4640
Sevillana Elec	1225	1200	1215	1215
Tabacalera	5570	5390	5460	5540
Telefonica	2930	2895	2905	2940
Union Fenosa	1080	1040	1050	1080
Valenc Cement	1425	1400	1420	1425

Manila

PSE Index: 3160.76 Previous: 3128.38

	High	Low	Close	Prev.
Ayala A	21.75	21.75	21.75	22
Ayala Land	30	29.50	30	29
Manila Elec A	121	117	118	117
Metro Bank	625	615	620	620
Petron	9	8.90	8.90	8.90
Phil Long Dist	1550	1535	1540	1520
San Miguel A	53.50	52.50	53	52
San Miguel B	114	112	114	110
SM Prime Hdg	6.90	6.80	6.80	6.80

Mexico

Bolsa index: 3241.75 Previous: 3307.86

	High	Low	Close	Prev.
Alfa A	36.10	35.60	35.60	36.40
Cemex B	30.30	29.60	29.70	30.30
Cifra C	10.28	10.00	10.00	10.34
Empresas ICA	113.10	111.70	111.70	114.70
Emp Moderna	37.80	37.40	37.75	38.00
Femsa	27.40	26.30	26.50	27.60
Gpo Carso A1	40.50	38.90	38.95	40.85
Televisa CPO	101.50	100.60	101.50	101.00
TelMex L	12.30	12.20	12.28	12.34
Tribasa	21.80	21.20	21.60	21.70

Milan

MIB Telematico: 10226.00 Previous: 10345.00

	High	Low	Close	Prev.
Alleanza Assic	11475	11140	11160	11520
Bca Comm Ital	2755	2720	2735	2735
Bca Naz Agricol	1030	1001	1020	1005
Bca Naz Lavoro	12130	12000	12060	12150
Bca di Roma	1315	1290	1303	1335
Bco Ambrosiano	3720	3655	3700	3730
Benetton	18430	18220	18290	18415
Credito Italiano	1645	1617	1620	1632
ENI	7775	7670	7695	7800
Fiat	4325	4260	4315	4300
Fondiaria	5600	5450	5535	5545
Generali Assic	29900	29500	29600	29900
IFIL	4220	4160	4210	4275
Italcementi	8475	8310	8475	8410
Italgas	6115	6000	6080	6115
Mediobanca	8505	8330	8410	8505
Montedison	1036	1023	1029	1030
Olivetti	525	515	515	517
Pirelli	2780	2735	2760	2770
RAS	14850	14700	14700	14900
Rinascente	8980	8825	8960	8990
S Paolo Torino	9390	9280	9350	9440
Standa	15750	15500	15750	15000
Stet	6260	6140	6195	6295
Telecom Italia	3500	3435	3435	3495
Toro Assic	20400	20000	20400	20300

Montreal

Industrials Index: 2676.89 Previous: 2731.27

	High	Low	Close	Prev.
Asco 1	23.05	22.35	22.45	23.10
Bank Montreal	41.60	40½	40.65	41.90
Bce Mob Com	42	41⅛	41⅛	41.90
Cdn Tire A	22.30	21.40	21.65	22.10
Cdn Util A	30.90	30½	30.60	31.30
Cascades	7⅝	7.65	7.70	7.90
CT Finl Svc	33⅛	33½	33⅛	33½
Extendicare	17.05	17	17.05	17.35
Gaz Metro	17.70	17.40	17½	17.80
Gt-West Lifeco	40½	40⅛	40⅛	40.60
Hees Intl Bcp	20.10	19.70	20	20.10
Hudsons Bay	23½	23¼	23¼	23.60
Imasco	34	32½	33¾	34
Investors Grp	25.10	25	25.10	25.05
Loblaw Cos	14.10	13.80	13.90	14.30
Molson A	21.65	21.60	21.60	21.70
Natl Bk Canada	13.65	13¼	13½	13¾
Oshawa A	19.80	19½	19.80	19¾
Pancdn Petlm	53½	52.80	53½	53.15
Power Corp	27.70	27¼	27.45	27¾
Power Finl	49	48	48.45	49½
Quebecor B	24⅛	24.10	24.15	24.35
Rogers Comm B	9.80	9½	9.60	9.90
Royal Bk Cda	48.60	47	47⅞	48.90
Sears Canada	10.20	10.05	10.15	10.20
Shell Cda A	51.70	51¼	51.70	52.55
Southam	19¾	19½	19¾	19¾
Stelco A	8.35	8	8.30	8.30
Trilon Finl A	6⅞	6.55	6.55	6.70

Oslo

OBX Index: 518.71 Previous: 521.64

	High	Low	Close	Prev.
Aker A	138	136	136	139
Bergesen Dy B	147.50	145	145	149
Christiania Bk	19.90	19.50	19.50	19.90
Den norske Bk	23.90	23.60	23.60	24
SAS Norge ASA	65	63	63.50	66.50
Dyno Indust	161	159	159	161
Elkem	107	101.50	103.50	106.50
Hafslund A	47	46.50	46.60	47.40
Kvaerner	290	285	289	291
Leif Hoegh	122	119.50	120	122
Norsk Hydro	330.50	326	327.50	334
Norske Skog A	211	205	206	214
Orkla	429	427	429	430
Rieber B	179	178	178	184
Saga Petlm B	96.50	95	95.50	98
Schibsted	120	116	117	120
Storebrand	37.80	37.20	37.50	37.50

Paris

CAC-40: 2213.28 Previous: 2251.40

	High	Low	Close	Prev.
Accor	646	627	632	650
AGF	160	153.50	155.40	160.90
Air Liquide	802	778	788	811
Alcatel Alsth	428.30	421.50	424.50	433.50
Axa	296.50	292	294	296.90
Bancaire	587	571	578	588
BNP	202.90	199.80	200	203.60
Bouygues	568	555	556	568
Canal Plus	1164	1152	1160	1167
Carrefour	3199	3125	3150	3180
CCF	238.80	231.30	235.90	238.50
Credit Local cl	450	444	448	452
Credit Lyon PC	125.60	122	124.50	127.90
Crown Cork Seal	263.40	259.40	260	269
Danone	732	719	722	730
Elf-Aquitaine	436.90	428.80	431	437.30
Eridania BS	816	790	803	820
Euro Disney	10.45	10.30	10.30	10.40
Eurotunnel uts	7.10	6.90	6.95	7.15
Gen. Eaux	635	624	628	639
Havas	370.90	365.60	368.70	375.50
Lafarge Cop	323	316.80	317.10	327.80
Legrand	883	868	874	882
L'Oreal	1858	1815	1816	1865
LVMH	1292	1257	1272	1305
Lyon. Eaux	480.50	473.40	480.50	484.20
Michelin B	272.80	268.30	272	271.50
Navig Mixte	753	750	753	760
Paribas A	351.50	347.20	350.70	354.60
Pechiney SA	211	207.10	209.80	210.40
Pernod Ricard	278	272	277.50	278
Peugeot Cit	596	577	590	605
Pinault-Print	2052	2004	2009	2056
Promodes	1397	1378	1392	1416
Renault	114	110.10	110.90	114.70
Rh-Poulenc A	171	164.60	165.30	166.80
Roussel-Uclaf	N.A.	N.A.	N.A.	1439
Sanofi	481.50	471.60	472.50	481
Schneider	239.50	236.10	237.80	240.70
Ste Generale	543	533	539	545
St Gobain	727	716	716	734
St Louis	1249	1215	1230	1258
Suez	218	214.60	215.10	219
Thomson CSF	167.40	165.50	166	167.50
Total B	402	393.50	397	402.60
UAP	133.60	132.30	133	133.70
Valeo	322	310	321	318

São Paulo

Bovespa index: 66777.98 Previous: 68558.60

	High	Low	Close	Prev.
Bco Brasil Pfd	9.00	8.80	8.95	9.15
Banespa Pfd	5.05	4.75	4.80	5.04
Bradesco Pfd	7.40	7.250	7.30	7.30
Brahma Pfd	598.00	593.00	594.00	598.00
Cemig Pfd	34.60	33.31	33.50	34.80
CESP Pfd	36.00	35.30	36.00	36.00
Eletrobras B	362.00	362.00	362.00	368.50
Itaubanco Pfd	398.50	395.00	395.00	400.00
Light	326.00	318.00	324.00	328.50
Paranapan Pfd	9.80	9.80	9.80	9.80
Petrobras Pfd	151.05	148.10	150.00	152.50
Sid Nacional	27.80	27.00	27.80	27.50
Souza Cruz	6.05	6.01	6.01	6.05
Telebras Pfd	79.090	76.30	76.50	79.40
Telesp Pfd	199.00	192.00	192.00	200.00
Usiminas Pfd	1.050	1.030	1.050	1.060
CVRD Pfd	20.80	20.50	20.70	20.80

Seoul

Composite index: 704.68 Previous: 702.83

	High	Low	Close	Prev.
Daewoo Heavy	5600	5470	5600	5550
Hyundai Eng	19000	18700	18800	18600
Hyundai Motor	22200	21500	21500	21800
Korea El Pwr	25800	25500	25700	25500
Korea Mob Tel	410000	399500	410000	408000
LG Electronics	11700	11500	11500	11400
Pohang Iron St	38900	38400	38500	38300
Samsung Elec	57000	55000	55000	56000
Samsung Hvy	9700	9450	9500	9680
Yukong	18700	17800	18100	18100

Singapore

Straits Times: 2192.45 Previous: 2209.58

	High	Low	Close	Prev.
Cerebos Pac	10.50	10.30	10.40	10.50
City Devlts	13.10	12.80	13.10	12.90
Cycle Carriage	16.30	16	16.20	16.20
Dairy Farm Int *	0.83	0.77	0.81	0.81
DBS	8.95	8.80	8.80	8.80
DBS Land	5.20	5	5.15	5
Fraser & Neave	15.10	15	15.10	15
HK Land *	2.93	2.88	2.88	2.92
Hong Leong Fin	3.28	3.28	3.28	3.28
Jard Matheson *	6.70	6.55	6.65	6.65
Jard Strategic *	3.73	3.68	3.70	3.70
Keppel	11.10	10.80	10.90	11.20
Natsteel	2.99	2.97	2.98	3
Neptune Orient	1.19	1.18	1.18	1.18
OCBC foreign	17.50	17.30	17.30	17.10
O'Sea Union Bk	6.30	6.30	6.30	6.25
Sembawang	7.85	7.55	7.70	7.45
Sing Airlines F	13.30	13	13	13.10
Sing Petlm	N.T.	N.T.	N.T.	1.79
Sing Press F	27	26.40	26.90	26.50
ST Auto F	2.94	2.92	2.93	2.94
ST Ship	1.89	1.88	1.88	1.89
Sing Telecomm	3.38	3.26	3.28	3.36
Straits Steam	4.58	4.46	4.54	4.50
Utd Industrial	1.19	1.17	1.18	1.20
Utd O'Sea Bk F	15.50	15.10	15.20	15.10
Wing Tai Hdgs	4.04	3.92	3.98	3.96

*: In U.S. dollars.

Stockholm

SX 16 index: 2427.23 Previous: 2479.32

	High	Low	Close	Prev.
AGA BF	107	102	102	108
ABB AF	790	777	779	792
AssiDoman F	184.50	182	183.50	184.50
Astra AF	335	325.50	329.50	339
Atlas Copco AF	153.50	151.50	153	153.50
Avesta F	73	70.50	71	73
Electrolux BF	410	405	406	415
Ericsson BF	203	198.50	200	205
Hennes BF	945	930	945	937
Incentive AF	454	445	451	458
Investor BF	285	278	281	285
Kinnevik BF	194	189	190.50	194
MoDo BF	195	188.50	191	193.50
Pharm/Upjohn	261.50	256	256.50	264.50
Sandvik BF	168	163.50	168	168
SCA BF	149	144.50	145.50	149.50
S-E Banken AF	61	59.50	60	61.50
Skandia Fors F	186	182.50	186	186
Skanska BF	291	282.50	285	293
SKF BF	148	146.50	148	148.50
SSAB BF	110	107.50	108.50	111
Stora AF	94.50	91.50	93	95.50
Sv Handles AF	189	185	188.50	188.50
Sydkraft AF	149	149	149	152
Trelleborg BF	88	86	87	88.50
Volvo BF	149	146.50	147	150

Sydney

All Ordinaries: 2359.30 Previous: 2361.80

	High	Low	Close	Prev.
Amcor	7.95	7.83	7.90	7.85
ANZ Bkg	8.02	7.75	7.77	7.77
BHP	17.85	17.49	17.55	17.68
Boral	3.45	3.39	3.43	3.40
Brambles Ind.	22.16	22	22.05	21.99
Burns Philp	2.20	2.16	2.18	2.18
CBA	12.30	12.15	12.16	12.13
CC Amatil	13.46	13	13.03	13.10
Coles Myer	4.70	4.58	4.69	4.57
Comalco	6.25	6	6	6.21
CRA Ltd	19.75	19.39	19.45	19.60
CSR	4.16	4.04	4.05	4.10
Fosters Brew	2.33	2.26	2.26	2.31
GIO Australia	3.40	3.33	3.33	3.33
Goodman Fld	1.63	1.59	1.60	1.61
ICI Australia	12.75	12.65	12.73	12.55
John Fairfax	2.77	2.73	2.74	2.75
Lend Lease	22.90	22.65	22.90	22.45
Mayne Nickless	8.42	8.25	8.34	8.23
MIM Hdgs	1.72	1.65	1.69	1.70
Nat Aust Bank	15.61	15.05	15.08	15.25
News Corp	6.70	6.61	6.66	6.57
North Ltd	3.63	3.52	3.54	3.56
Pacific Dunlop	2.85	2.80	2.80	2.82
Pioneer Intl	3.55	3.49	3.50	3.50
Placer Pacific	1.90	1.89	1.90	1.88
Santos	4.95	4.86	4.90	4.91
Southcorp	4.02	3.96	3.98	3.90
Wesfarmers	8.35	8.27	8.32	8.27
Wmc Mining	7.70	7.60	7.62	7.62
Westfield Trt	2.41	2.37	2.37	2.36
Westpac Bkg	7.40	7.19	7.25	7.32
Woodside Pet	8.78	8.62	8.63	8.76
Woolworths	3.04	2.99	2.99	3

Taipei

Stock Market index: 6802.74 Previous: 6841.03

	High	Low	Close	Prev.
Asia Cement	51	50.50	50.50	51
Cathay Life Ins	177	174	174	176
Chang Hwa Bk	155	153	153	154
China Steel	26.20	25.80	25.90	25.80
China Trust	52.50	51.50	51.50	52
Evergreen	55.50	53.50	54	55
Far East Text	28.40	28	28	28.20
First Bank	165	162	164	164
Formosa CF	43.20	41.50	41.60	43
Hua Nan Bk	127.50	125	125	127
Hualon Teijran	24.40	24.10	24.20	24.10
ICBC	86	84	84	85.50
President Ent	43.70	42.80	42.90	43.20
Taiwan Cem	62	61	61	61.50
Tatung	56	55.50	55.50	55.50

Tokyo

Nikkei 225: 20568.38 Previous: 20622.12

	High	Low	Close	Prev.
Ajinomoto	1280	1250	1260	1280
All Nippon Air	935	915	920	929
Asahi Bank	1020	1010	1020	1020
Asahi Chem	725	714	725	725
Asahi Glass	1140	1120	1130	1130
Bk Tokyo Mitsu	2170	2130	2130	2190
Bk Yokohama	771	764	770	776
Bridgestone	2200	2150	2160	2210
Canon	2530	2470	2490	2560
Chiba Bank	850	841	850	859
Chubu Elec	2320	2300	2300	2320
Chugoku Elec	2300	2280	2280	2290
Daiei	918	907	911	915
Daiichi Kang	1780	1760	1770	1790
Daiwa Bank	606	590	590	609
Daiwa House	1530	1510	1520	1520
Daiwa Sec	1150	1130	1140	1160
Denso	2750	2680	2700	2750
Fanuc	3650	3570	3580	3740
Fuji Bank	1830	1800	1810	1830
Fuji Photo	3860	3770	3790	3890
Fujitsu	1110	1080	1100	1100
Hitachi	1100	1070	1070	1090
Honda Motor	3250	3160	3170	3270
IBJ	2070	2030	2050	2070
IHI	522	514	515	521
Itochu	674	665	668	668
Ito-Yokado	5590	5480	5500	5600
JAL	652	638	645	645
Jusco	3970	3910	3930	4030
Kajima	893	871	877	891
Kansai Elec	2370	2350	2360	2380
Kao	1390	1380	1390	1380
Kawa Steel	345	337	340	349
KDD	8090	8000	8000	8090
Kinki Nipp Ry	746	742	742	744
Kirin Brewery	1160	1150	1150	1140
Kobe Steel	251	247	247	256
Komatsu	950	940	950	952
Kubota	618	612	614	625
Kyocera	7360	7180	7210	7350
Kyushu Elec	2390	2370	2380	2380
LTCB	641	599	603	641
Marubeni	510	506	507	508
Marui	2130	2100	2110	2140
Matsu Elec Ind	1970	1940	1950	1960
Matsu Elec Wk	1060	1050	1050	1070
Mitsubishi	1290	1260	1280	1290
Mitsubishi Ch	419	410	411	420
Mitsubishi El	685	672	674	693
Mitsubishi Est	1410	1370	1370	1370
Mitsubishi Hvy	952	933	938	948
Mitsubishi Mat	883	873	877	875
Mitsubishi Tr	1750	1730	1740	1760
Mitsui	967	959	962	967
Mitsui Fudosn	1318	1280	1290	1310
Mitsui Trust	992	961	976	985
Murata Mfg	3970	3940	3940	3780
NEC	1420	1390	1400	1420
Nikko Sec	1000	975	975	1010
Nintendo	8500	8300	8300	8370
Nipp Credit Bk	299	296	299	298
Nipp Express	840	822	840	828
Nippon Oil	595	589	590	597
Nippon Paper	619	610	611	619
Nippon Steel	339	333	333	339
Nippon Yusen	533	530	530	531
Nissan Motor	800	783	794	803
NKK	273	268	268	272
Nomura Sec	1850	1800	1810	1850
NTT	9130a	8950a	9090a	9120a
Obayashi	795	772	775	797
Odakyu El Ry	696	683	687	691
Ono Pharm	3600	3570	3570	3600
Osaka Gas	345	340	341	348
Ricoh	1330	1290	1300	1330
Sakura Bk	963	950	953	962
Sankyo	3200	3080	3130	3240
Sanwa Bank	1740	1660	1700	1760
Sanyo Elec	529	520	521	529
Secom	7000	6910	6950	7010
Seibu Rwy	5500	5400	5400	5630
Sekisui House	1230	1210	1220	1220
Seven-Eleven	6950	6830	6850	6960
Sharp	1800	1770	1790	1780
Shimizu	910	887	905	890
Shin-etsu Ch	2150	2120	2130	2160
Shizuoka Bk	1280	1270	1270	1270
Sony	7660	7520	7560	7680
Sumitomo	970	966	969	969
Sumitomo Bk	1870	1780	1800	1870
Sumit Chem	487	477	486	494
Sumitomo Elec	1640	1610	1620	1640
Sumit Metal	304	295	301	308
Sumit Trust	1160	1130	1130	1150
Taisei	600	592	597	606
Taisho Pharm	2530	2460	2480	2530
Takeda Chem	2450	2330	2380	2440
TDK	7540	7360	7460	7500
Tohoku El Pwr	2330	2300	2300	2330
Tokai Bank	1270	1250	1250	1270
Tokio Marine	1180	1150	1160	1190
Tokyo El Pwr	2570	2540	2550	2560
Tokyo Gas	329	324	324	327
Tokyu	719	711	712	724
Tonen	1490	1470	1470	1510
Toppan Print	1500	1470	1470	1510
Toray Ind	739	730	732	732
Toshiba	750	736	740	745
Toyo Seikan	3520	3500	3500	3580
Toyo Trust	985	975	975	989
Toyota Motor	3250	3180	3220	3270
Yamaichi Sec	563	545	549	549
Yamanouchi	2370	2340	2360	2400
Yasuda Fire	697	686	690	699
Yasuda Trust	491	480	483	491

a: x 100

Toronto

TSE Industrials: 5781.69 Previous: 5919.86

	High	Low	Close	Prev.
Abitibi Price	19⅜	19¼	19½	19.85
Air Canada	6.15	6	6	6.15
Alberta Energy	31.20	30½	30½	31.35
Alcan Alum	47.70	46½	46.65	47.60
Avenor A	22.20	21.90	22	22.15
Bk Nova Scotia	44.40	43	43	45
Barrick Gold	40⅛	38.40	38½	41¼
BCE	64.85	63	63.65	65¼
BC Telecomm	29¼	29⅛	29.30	29¾
Bombardier B	24.15	23.30	23.55	23.85
Brascan A	30	29.30	29.60	30.05
Cameco	55⅝	54	54.95	55½
CIBC	56.90	54⅛	54⅝	57.45
Cdn Airlines	2.20	2.06	2.08	2.22
Cdn Nat Res	36.40	34.30	35⅛	36.70
Cdn Occid Pet	23.10	22.10	22.10	23.20
Cdn Pacific	35.80	35	35.10	36⅛
Cominco	34	33⅛	33⅛	34
Consumers Gas	23⅛	23⅛	23⅛	23½
Dofasco	25.05	24.45	24.85	25.30
Domtar Ind B	8.90	8.70	8.80	8.90
Du Pont Cda A	32	31	31.90	31.80
Echo Bay Min	10.40	9¾	9¾	9.85
Empire Co. A	12.90	12½	12.90	12¾
Falconbridge	31	30⅛	30.70	30.90
Fletcher Chall A	21.40	21⅛	21⅛	21.30
Franco Nevada	54.90	53.30	53.55	54.60
Guardian Cap A	N.A.	N.A.	N.A.	11
Imperial Oil	60⅛	59⅛	59⅛	61
Inco	45.85	44.90	45.20	45.85
IPL Energy	39½	38.80	39	39.90
Laidlaw A	16.60	16	16.40	16¾
Laidlaw B	16.55	16.15	16.30	16.55
Loewen Group	53.30	52.40	52½	53.15
Ldn Insur Gp	37	36½	36.70	37
Macmill Bldl	18.10	17.60	17.65	18¼
Magna Intl A	77.05	75½	76.10	77.10
Maple Leaf Fds	9⅛	9.15	9.20	9.30
Moore	27.90	27	27.10	28
Newbridge Net	42	40⅛	41.40	40.60
Noranda Inc	30.60	30	30½	30.40
Noranda Forest	9⅛	9.05	9.15	9.15
Norcen Energy	30.30	30	30	30.35
Nthern Telecom	84.60	82.80	82.80	85.35
Nova	12½	12.10	12⅛	12.40
Onex	19½	19⅛	19.35	19.65
Placer Dome	32.30	30⅛	30.90	32
Potash Sask	116½	112.20	112.20	117.55
Provigo	5.70	5.60	5.65	5.65
Quebecor Print	24	23½	23½	24⅛
Renaissance	46⅛	44⅛	45.30	47.45
Rio Algom	31½	30⅛	30⅛	31½
Seagram Co	54½	52.85	54¼	54.60
Stone Consold	18⅛	18.40	18.70	18.60
Talisman Eny	43⅛	42.05	42.95	44½
Teleglobe	37⅛	37.10	37⅛	37.20
Telus	20.85	20.20	20.35	20.55
Thomson	28.95	27.30	28.05	29.20
TorDom Bank	34.45	33.10	33.40	34.95
Transalta	16.90	16½	16½	16.85
TransCda Pipe	24.20	23.40	23.40	24.10
Trizec Hahn	28.80	28.45	28.45	29
Utd Dominion	32.10	31.90	31.90	31.95
Westburn	12½	11.70	12.10	11.80
Westcoast Eny	23.95	23.40	23.40	23.90
Weston	65	63¾	64	64.95

Vienna

ATX Index: 1121.88 Previous: 1127.97

	High	Low	Close	Prev.
Aust Airlines	N.A.	N.A.	N.A.	1500
Brau-Un Goess	650	641	645	655
Bund Vers Pfd	382	382	382	381
Creditanst Pfd	522.15	517.90	520	514
EA-Generali	3565	3400	3400	3560
EVN	1555	1540	1540.50	1550
Interunfall	1525	1525	1500	1500
Lenzing	692.50	683	689	692.50
Leykam	290	285	285	290
Mayr-Melnhof	533	526.50	529	534
OMV	1157.40	1145.90	1155	1158
Oest Brau	734	724	731	734.50
Oest Elektriz	790	787.50	788.50	789.50
VA Tech	1697	1672	1672.60	1697
Wienerberger	2105	2048	2100	2065.95

Wellington

NZSE-40 index: 2377.53 Previous: 2357.57

	High	Low	Close	Prev.
Air N Zeald B	2.78	2.71	2.71	2.68
Brierly Invt	1.32	1.31	1.31	1.31
Carter Holt ord	3.46	3.40	3.40	3.41
Fernz	5.11	5.05	5.05	5.02
Fisher Paykel	5.52	5.48	5.48	5.42
FC Forest	2.33	2.28	2.28	2.24
Goodman Fder	1.85	1.81	1.81	1.83
Indep News	7.16	7.10	7.10	7.10
Lion Nathan	3.49	3.43	3.43	3.44
Nat Gas note	2.20	2.18	2.18	2.15
NZ Refining	28.00	28.00	28.00	27.50
Telecom NZ	7.47	7.37	7.38	7.30
Wilson Horton	11.30	11.18	11.18	11.15

Zurich

SPI index: 2464.85 Previous: 2481.74

	High	Low	Close	Prev.
Adecco B	340	334	338	335
Alusuisse R	1034	1020	1029	1037
Ares-Serono B	1200	1193	1200	1198
Baloise Hdg R	2895	2780	2855	2945
ABB B	1646	1628	1631	1652
BK Vision	740	732	737	745
Bobst B	1830	1790	1810	1815
Ciba Geigy R	1621	1596	1614	1630
CS Holdings R	134.25	132	134	134
Elektrowatt B	507	499	507	507
Fischer B	1400	1355	1380	1405
Hilti PC	815	800	802	807
Holderbank B	925	909	916	925
Jul. Baer Hdg B	1397	1387	1395	1403
Nestle R	1396	1381	1395	1397
Oerlikon R	126.25	125	125.75	126.25
Pargesa Hld B	1455	1440	1440	1450
PharmVisn B	595	576	593	594
Pirelli B	182.50	180	180	182.50
Roche Hdg PC	10010	9860	9970	10080
Sandoz R	1527	1500	1520	1535
SBC R	250.50	248	250	251.75
Schindler B	1360	1345	1353	1362
SGS B	3160	3110	3140	3175
SMH B	835	823	829	840
Sulzer R	745	731	735	740
Swiss Reins R	1404	1381	1396	1414
Swissair R	1006	995	1006	1005
UBS B	1184	1165	1178	1188
Valora Hdg R	268	261	268	268
Winterthur R	769	755	766	775
Zurich Assur R	367	360	365	365

EUROMANAGERS

Not to be written off is the new breed of European manager equipped with the strategies necessary to cope with downsizing, increased global competition and the need for companies to constantly reinvent themselves.

CHANGE, CHANGE AND CHANGE AGAIN

Europe's current management credo holds that the key to competitiveness is a knack for reinvention.

According to some pundits, as few as one-third of Europe's major corporations are likely to survive the next few rounds of globalization and international competitive pressure. Against this background, the recipes most frequently urged on corporate decision-makers include developing the ability to innovate ceaselessly, adapting to ever-changing environments and harnessing diversity for profit.

"The demand for greater shareholder value is powering corporate efforts to slim down and break up large diversified entities into smaller organizations that can focus on core competencies," says Jeffrey Ramsbottom, senior fellow and director of the executive center at Manchester Business School in Britain. "This process has been carried furthest in the United States, followed by the United Kingdom. The rest of Europe is only just starting to face up to reality."

Bjorn Hviding, vice president of executive education at the Norwegian School of Management, says that the long-term effects of downsizing are difficult to predict. "However," he says, "as pointed out in a recent MIT study, two major movements seem to be occurring. One is the rise of small companies that exploit IT links, creating large networks to cooperate with similar firms having the relevant skills. The second is a strengthening of very large businesses, which are becoming 'virtual countries.'"

Multinational corporations, says Mr. Hviding, should also search out and take advantage of synergies from the special strengths of each of the countries in which they operate. "For instance, Swatch was able to succeed with its watches partly by combining Swiss precision with Italian design," he points out.

According to Philippe Haspeslagh, professor at the Insead business school in France, companies now have to develop new products every year and constantly review costs in order to maintain their position. "This means that the vital corporate balance is shifting from exploitation to exploration," he comments. "Companies have to operate very flexible structures and reap maximum benefit from techniques such as outsourcing."

Arjan van Weele, partner with the Holland Consulting Group and professor at the Open University of the Netherlands in Amsterdam, puts particular emphasis on changes in the approach to corporate purchasing requirements. "Outsourcing has vastly increased the strategic role played by corporate purchasing departments," he says. "Such developments are making European companies look at the management of purchasing techniques and expenditures as a potential competitive advantage. For example, companies such as Rank Xerox and Volkswagen are requiring suppliers to deliver components and goods at the exact time and place they are to be used, or if not, to pay storage costs."

Roland Calori, professor at the business strategy department of the Lyon Graduate Business School in France, starts from the premise that European companies have no hope of competing on costs with companies in emerging markets. "Instead, they can go for differentiation, and/or develop global strategies," he says. "For example, the Italian firm Fila has been particularly successful in marketing top-of-the-range sports and leisure wear."

Mr. van Weele adds: "Large, powerful organizations in sectors such as insurance, banking and the automotive business are pursuing mergers and acquisitions policies aimed at dominating their markets and generating economies of scale," he says. "Successful corporations such as ABB working in specialized areas like heavy equipment and services are honing their niche strategies and relying on their ability to innovate and to stay flexible."

All of this is putting pressure on business schools and management centers to adapt their courses. The MBA program run by Richmond College (the American University in London) includes an international internship that requires students to acquire project-oriented management experience in a culture other than their own.

IESE – a leading Spanish business school based in Barcelona and Madrid – is working on videoconferencing and Internet connections for course participants. It has also recently added a bilingual English/Spanish option to its MBA program.

Warwick Business School in Britain is about to launch highly focused one-day seminars (the "Masterclass Series"), specially designed for hard-pressed executives. Manchester Business School has developed distance learning tools, including CD-ROMs and Internet tools. "The rapid pace of business change means that we have to offer ever-shorter courses," Mr. Ramsbottom concludes, "but it is also presenting us with exciting new opportunities."

Michael Rowe

TOWARD COMMON ACCREDITATION

Corporations often consider candidates and appoint managers from many different countries. Yet no common yardstick exists to assess business degrees awarded by institutions in different European countries.

Help is now at hand, however. Under a program called EQUAL (European Quality Label), the Brussels-based European Foundation for Management Development (EFMD) is putting the finishing touches on a business school quality certificate that will transcend frontiers. Under a separate scheme, the recently created ECBE (European Council for Business Education) has already begun accrediting European institutions and courses.

The founding members of the EQUAL association are the EFMD and five national accreditation bodies. These are the Chapitre des Ecoles de Management (France); AEEDE (Spain); ASFOR (Italy); and AMBA (Association of MBAs) and ABS (Association of Business Schools), both based in Britain.

The ECBE – which is based in the Swiss town of Chamby – was established in 1995. It has close links with the ACBSP (Association of Collegiate Business Schools and Programs) in the United States and with the U.S.-inspired International Federation for Business Education (IFBE).

The EQUAL initiative seeks essentially to secure mutual recognition among existing national accreditation systems, and it will not itself accredit courses except in cases such as Eastern Europe, where no national scheme applies.

M.R.

CAN MANAGEMENT BE TRANSPLANTED?

As outside companies move into Europe, their philosophies aren't always as easy to accommodate.

North American and Asian executives posted by their companies to Europe should have a comfortable sense of déjà vu. Many of Europe's foremost companies, including such German giants as Daimler-Benz, Deutsche Bank and Siemens, are now busy flattening their executive hierarchies and empowering their staff. These mid-1990s trends in European management have already become common practice in America, as has the "no ranks, no titles" movement currently making inroads on the Continent's corporate community.

Asian, notably Japanese, influences on European business practices had made themselves felt even earlier. Just-in-time supply, total quality assurance and employee-driven improvement programs – revolutionary ideas in Europe in the early '90s – have since become standard operating procedure.

Willing and able?

It would seem that corporate Europe is not only receptive to Asian and American management ideas, but willing and able to implement them. Expatriate managers, it would follow, should have no trouble setting up and running their operations according to their own national and corporate cultures.

"Actually, virtually all these suppositions are only partly true, at best," says Georg Schmidt, Asia expert at the state of Bavaria's ministry for economic affairs, transport and technology. "In the relatively few cases where such remoldings have been consciously attempted, receptiveness has varied widely. Factors influencing success have been the sector the company is active in, which country the company is from and which country its European operations are based in."

Mr. Schmidt points out that at their newly built car plants in Britain, Japanese companies have found British workers eager, adept pupils, willing to adapt their ways of working to Japanese role models. "That's partly because the Japanese have brought a new sense of egalitarianism to the British shopfloor, which was formerly class-ridden," he says.

Meanwhile, such American companies as Hewlett-Packard and Gore (manufacturer of Gore-Tex fabric) are high on the list of young Europeans' employers of choice. Not only are these companies successful, they're also known for their "caring company" approach, in which close interpersonal working relationships are fostered, partly by removing hierarchy-based distinctions.

In reaction, their European competitors have often adopted many features of this approach. "Even though we're a Bavarian company," says Reiner Hüttl, development engineer at iXOS, the greater-Munich-based producer of connectivity software, "our operating environment has many features I would call 'American,' including Wednesday evening get-togethers where company members can mix on a voluntary, informal basis."

But, as Mr. Schmidt points out: "This receptiveness is often limited to those areas in which the Americans and Asians are strongest – generally the high-tech sectors – or among companies active on the international level."

Examples of nonreceptiveness can also be found. Because Central and Eastern Europe's car market is growing rapidly, Asian – and particularly Korean – manufacturers have been rushing to build large-scale production facilities. The training of new, local personnel has not always run smoothly, between cultural misunderstandings and the attempt to drill local shopfloor personnel into achieving Asian levels of output.

Nor have American companies enjoyed an exclusively positive welcome. They are often seen as too demanding in terms of work weeks and output, as well as too quick to reduce workforces and social benefits.

Backlash

As a result, a groundswell of apprehension about Asian and American management styles has arisen in parts of Europe's workforce – an apprehension that expatriate managers often take pains to allay. Before the planned takeover of Thomson Multimedia's production facility in Angers, France by South Korea's Daewoo, recently scotched by the French government, the company's prospective managers had hastened to inform their workforce-to-be that Asian-style management would not be introduced into the company, according to the Asia Times.

Major transfers of corporate and national culture, although well-publicized, are actually not all that common compared with the actual number of Asian and North American companies in Europe. First, the vast majority of these Europe-based companies are distribution outlets employing only a few people. Second, many of the exceptions have deliberately positioned themselves as European companies in order to enhance consumer identification with their products.

Terry Swartzberg

THUNDERBIRD'S FORAY INTO EUROPE

For a U.S. business school, setting up shop in Europe presents singular challenges.

Thunderbird, the American Graduate School of International Management, has embarked on an ambitious overseas growth plan designed in part to boost the college's presence in Europe by 2001. It's a grand scheme, but not something the Arizona-based school, one of America's best-known, can do overnight. The institution opened a European hub in Archamps, a French suburb of Geneva, in 1993. Establishing the campus was phase one. Now, phase two aims to develop links with local partners to create something the school still lacks: a network.

Students from the home campus at Phoenix usually attend Archamps for one semester during their two-year Master in International Management program. But some find jobs with companies in the region and stay on, and the school wants to increase these possibilities for participants over the next five years. Nearby, Geneva is teeming with international outfits like the World Trade Organization, the World Health Organization and the International Telecommunication Union, groups that could offer additional training.

Making the southwestern U.S. school an exportable role model is hard enough, but the game is further complicated by Europe's different rules. Creating a viable educational enterprise here takes effort – sometimes more than anticipated. The school admits it took too long to connect with companies and colleagues.

"One mistake we made was underestimating the complexity of creating a new business in the education field," explains Lew Howell, associate vice president for overseas programs. "Until you do it, you don't know what's out there. There's no book on the subject; it's strictly trial and error."

But Europe represents only part of the total Thunderbird vision, accounting for $700,000 of the school's $44 million operating budget.

Thunderbird wants a presence on every continent, and sees Archamps as fitting into its global strategy. Says President Roy Herberger: "The European campus will be a vector into other areas of the world. We're hoping our experience here will transfer to Vietnam, Cambodia and elsewhere. This will benefit Europeans, too." A Tokyo campus opened the same year as Archamps, and the school has its eye on other Asian beachheads where growth markets can draw new talent into its pool.

Joshua Jampol

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EUROMANAGERS

MATCHMAKING AT THE FORUM

Staged by EMDS International in Brussels, Belgium, the twice-yearly Euromanagers/Eurengineers Forum allows a hand-picked selection of Europe's top young professionals to meet prospective employers ranking among the world's most important multinational companies and financial institutions. Some 600 candidates were selected from 6,000 applicants to meet recruiters from 40 different organizations at the forum, fixed for Dec. 12-13, 1996.

Organizations seeking young talent at the event include such prestigious names as Andersen Consulting, Audi, BZW, Chase Manhattan, Hewlett-Packard, Nokia, Procter & Gamble and SBC Warburg. "More than 35 percent of the Euromanagers/Eurengineers invited will receive a concrete job offer in the two months following the forum," state the organizers, EMDS International.

Careful preselection ensures that recruiters meet only the candidates that match their requirements. Candidates chosen to attend speak English and at least one other European language fluently; possess a working knowledge of a third language; and hold a university degree supported by an excellent academic record,

Preselected managerial candidates meet with representatives of Europe's major companies at this Brussels event.

leadership qualities and previous international exposure.

The next Euromanagers/Eurengineers Forum is scheduled for April 24-25. "Many companies are currently looking for candidates possessing in-depth IT skills," comments an EMDS spokesperson. "Accordingly, we are organizing a special IT Futures event on the same two days in April."

EMDS contact telephone number: (32 2) 543 00 20.

M.R.

WHEN BUSINESS IS ALL IN THE FAMILY

Formal business education is increasingly complementing "raised in the business" training.

Global business is not just a matter for huge multinational corporations. Small and medium-sized companies throughout Europe increasingly need to sell into international markets and invest abroad in order to survive. Moreover, family-controlled firms probably account for around 85 percent of European companies overall.

"A new generation is taking over in many family firms, and there is a bigger emphasis on professionalism and accountability to stakeholders in their management," says Panikkos Poutziouris, director of the family business management option in the MBA program offered by Manchester Business School in Britain. "This involves bringing in managers and nonexecutive directors from outside the family, appointing consultants and introducing new technologies."

Dan Muzyka, associate dean of the MBA program at Insead in France, places emphasis on the diminishing importance of national borders. "This means that many family firms that were once restricted to their home territories can now seek to add value by making use of international supply and distribution networks," he points out.

Heirs apparent

According to Yves Romanet, a professor at the Lyon Graduate School of Business in France, preparing a successor to take over the family business is an important factor in ensuring continuation of the company. "U.S. family businesses are happy to consult a wide range of outside experts," he says, "but in countries such as France, there is still a tendency to keep such issues within the family."

Miguel Gallo, professor of business policy at the IESE business school in Barcelona, observes: "Often, Spanish family firms are tempted to play it safe and stick with the areas they know best, and they are obsessed with keeping excessively large liquid reserves rather than going for growth." They may also be reluctant to dilute control by going to the markets for capital. "The Barcelona-based ZAG company – a family enterprise that specializes in producing hubcaps – provides a good example of the benefits of pursuing a more adventurous strategy," Mr. Gallo adds. "ZAG controls some 30 percent of the European market in its sector, and with the help of an equity injection from the 3i venture capital group, it is now planning to establish new factories in Mexico and Brazil."

The Family Business Network links together around 1,000 family firms established in Europe. The network's director is Alden Lank, a professor at the IMD business school in Lausanne, Switzerland. "A good way for such businesses to expand internationally can be to network and establish strategic alliances with family firms in other countries that can fit in with their strategic plans," Mr. Lank suggests. "This approach has not yet been much tested in practice, but it could be a winner in the future."

The SDA Bocconi business school in Milan is planning to establish a special master's program for family firms in 1998. "Succession issues and financing provide two of the keenest questions facing such companies," comments Professor Paolo Preti, who teaches at the school and its parent university.

M.R.

TOURISM MANAGEMENT GOES FOR AN UPGRADE

The booming travel sector is hungry for people with sophisticated business skills and cross-cultural experience.

By 2005, it is estimated that one job in 10 will be tourism-related. An estimated 150 million jobs are due to be created in the sector over the next decade. The fast-expanding industry is changing the profile of the tourism professional, and hotel and tourism schools are revamping their curricula to keep pace.

Employers, say hotel and hospitality schools, require staff who can manage change, work in multicultural environments and direct people from diverse nations and backgrounds – people often working in places they do not call home. All this calls for more training.

Tourism colleges once offered only traditional one- or two-year certificate and diploma courses. These were craft-based, process-oriented undergraduate programs that taught food, beverage and reception skills. For years, they groomed the industry's newcomers.

Wider course scope

The first change occurred in the late 1980s, when industry pressure forced these courses to start weaving in a new element of management basics. In Europe, traditional Swiss hospitality training began to be blended with American managerial know-how. Students learned marketing savvy alongside kitchen and service skills.

The latest market demand is a push for higher-level studies. Top tourism colleges in Europe have added graduate degree programs in response to employers' demand for recruits with the academic background necessary to manage the sector into the next millennium.

Swiss BA

Next February, the International Hotel Management Institute (IMI) in Lucerne will introduce a BA in international hotel and tourism management, a four-year course originally from England's Manchester Metropolitan University. The 288-hour BA will complement IMI's existing certificate and diploma courses.

Candidates for the new degree will come from South America, Central and Eastern Europe and South Africa – all areas where the institute sees strong growth. Southeast Asia is also booming: "The trend there is not to hire expatriate managers anymore – they want to grow their own," explains Seán Duffy, IMI's deputy director.

China, Hong Kong, Taiwan, the Philippines and Indonesia are all sending students to the Swiss school, and IMI's new BA will include a unit on Asia-Pacific tourism.

More experienced travelers mean managers must meet the needs of increasingly demanding customers. In Malta, the government wants to triple the number of five-star hotels and reach a 4,000-room capacity in three years. This will require personnel with more skills to run them, and the island is finding that a much more cosmopolitan staff is required for luxury than for other hotels. "It's easier to build a five-star hotel than train five-star staff," declares Paul Galea, marketing director of Malta's National Tourist Organization. "Not every Tom, Dick or Harry can do it."

To help out, the University of Malta is introducing an MBA program in tourism management, to begin in October 1997. The course will include basic management studies like finance and economics, but focus on the tourist trade.

In Britain, employers are telling Oxford Brookes University's School of Hotel and Restaurant Management that they want graduates who will engage in lifelong learning and constantly review and renew their skills.

As a result, Oxford Brookes now offers "work-based learning," an innovative program that gives academic credit for knowledge gained in the workplace. Employees can earn points toward degrees in the hotel and restaurant sectors without attending a single class.

On-the-job candidates sign contracts with the university, set goals and are assigned tutors. Based on performance, they can earn as much as three-fourths of their academic credit toward an MBA. "They're not just doing their job as set by the boss," explains Clive Robertson, head of the School of Hotels and Restaurants. "They're taking control of themselves. It's the kind of manager companies want for the next century."

The scheme rewards both individuals and companies, he says, without sending workers away on courses, which is not always cost-effective. "It's learning and development based on both employee and employer needs," he adds.

The approach, though based on company feedback, is not an easy sell, and Mr. Robertson admits that schools need to work more with employers to get them to recognize the value of further education.

Added value

Another new profile in the industry is the employee who wants to recycle himself and return to school. For this group, Oxford Brookes has developed a new MBA in hospitality. The course, which began this year, is delivered via distance learning to those already on the job, using the workplace as a development center.

Students can take up to three years to complete the course, but experience and qualifications allow them to waive some classes. Fifty students are currently enrolled, mostly from Britain. The university is looking to franchise the course abroad, and is talking with schools in Australia and Hungary about a possible overseas version.

J.J.

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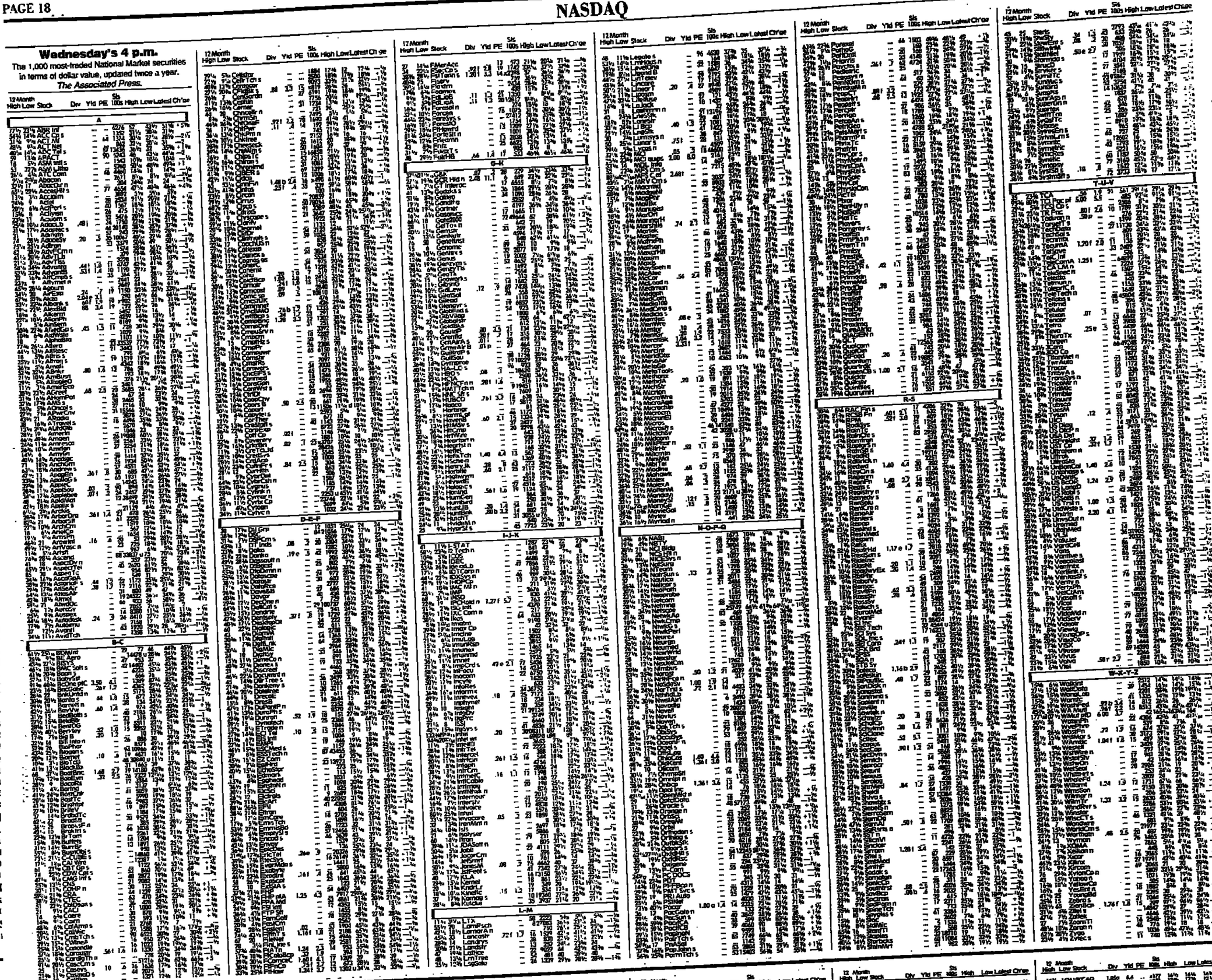
Wednesday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.



NYSE

Wednesday's 4 p.m. Close

(Continued)

هكذا من الأصل

ASIA/PACIFIC

Won Plunges On Burgeoning Korea Deficit

Compiled by Our Staff From Dispatches

SEOUL — The won plunged Wednesday to its lowest level against the dollar in more than 10 years as South Korea's rising trade deficit pushed up demand for dollars, traders said.

The dollar traded as high as 843 won, up 1.6 percent from the close Tuesday of 830 won, before finishing at 839.40 won. The South Korean currency has fallen nearly 9 percent this year against the dollar.

Dealers said the won's slide represented a bet by the market that the government wanted a weaker currency to lift exports and cut a mounting current-account deficit. A weaker currency helps exports by making their prices overseas seem cheaper.

South Korea's current-account deficit is up 86 percent so far this year, to $18.6 billion, mainly due to plunging semiconductor shipments. Economists expect the shortfall to reach $22 billion by the end of the year.

"Narrowing the current-account deficit is a pressing issue for the government," said Lee Chang Seon, an economist at LG Economic Research Institute. "It has no other means to slash the deficit but to bet on exports by letting the won drop."

The Bank of Korea denied that it intervened Wednesday to prop up the won's value, but traders said the central bank started buying won and selling dollars in mid-afternoon.

"The central bank intervened temporarily to slow the dollar's rise but not to stop it," a dealer at the Seoul office of a European bank said. "The dollar could have risen over 850 today if not for the intervention." He added that the central bank had intervened on previous occasions when the won fell too fast.

Traders said the won had weakened considerably this week because of heavy import settlements and delays in planned offerings of global depositary receipts by South Korean banks.

Plans by Korea Long-Term Credit Bank and Boram Bank to issue a combined $270 million of global depositary receipts abroad have been delayed until next year because of the ailing Seoul stock market.

Although the won's decline prompted concern about a rise in inflation, economists said the government felt that the risk was worth taking to bring the trade balance in line.

"The government thinks it's more important to squeeze the current account deficit," Mr. Lee said. "They feel they can somehow manage to curb consumer prices."

But traders said the huge deficit forecast for 1997 could be expected to continue pressuring the won.

(Bloomberg, Reuters)

Courting Beijing's Laggards

By Philip Segal
Special to the Herald Tribune

HONG KONG — In the stock market, what goes up quickly can often come down with a thud. After two days in which the Hang Seng China Enterprises Index surged a total of 16 percent, investors may want to keep that in mind, because those who have made money in the past two days will probably want to sell to someone else.

Since 1994, shares in Chinese state companies listed in Hong Kong, known as H shares, have been the dogs of the Hong Kong and China markets, largely because of the companies' disappointing earnings and lack of transparency. This year, some of the so-called B shares listed in China have risen more than 200 percent, and many blue-chip Hong Kong stocks, including Hong Kong subsidiaries of mainland Chinese companies, have racked up gains of more than 30 percent. But until Tuesday, the H shares still seemed to have no friends in Hong Kong.

"Everybody hated them," said Eric Sandlund of Prudential Asset Management. "You talked with brokers, and when they tried to sell to institutional investors they'd get back: 'I don't want to hear about it.'" Last month, Bill Kay, a fund manager for Pacific Group in Hong Kong, said H shares "have no culture of being responsible to shareholders or making money."

On Wednesday, however, the H-shares index closed at 984.45, up 56.46 points, or 6.1 percent.

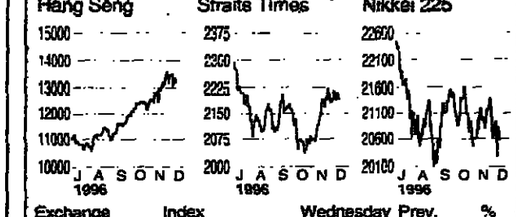
Mr. Sandlund explained the move simply as a case in which, on certain companies, "Sentiment got way too negative, and some of them were cheap." Most of the buyers Wednesday were brokerage firms backed by mainland Chinese interests or Hong Kong retail buyers, according to fund managers able to track trades through Hong Kong Stock Exchange terminals. The sellers, they said, were probably foreign investors who had been stuck with H shares heavily weighted toward the petrochemical sector, which is in the midst of a downturn.

"The fundamentals haven't changed," a China analyst at a U.S. bank said. "Foreign investors are still bearing in mind China's austerity measures and the bad chemical sector."

For investors desperate to get on the H-share bandwagon, several fund managers recommended Anhui Expressway, a builder of toll roads in eastern China, saying it was new enough on the market not to have a reputation for letting investors down. It rose 8.8 percent Wednesday but was still trading close to its initial public offering price and at a discount to its book value.

INTERNATIONAL STOCKS

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,189.60	13,342.46	-1.15
Singapore	Straits Times	2,192.45	2,209.50	-0.77
Sydney	All Ordinaries	2,359.30	2,361.80	-0.11
Tokyo	Nikkei 225	20,568.38	20,822.12	-1.22
Kuala Lumpur	Composite	1,204.39	1,214.58	-0.84
Bangkok	SET	885.86	889.46	-0.40
Seoul	Composite Index	704.68	702.83	+0.26
Taipei	Stock Market Index	6,802.74	6,841.03	-0.56
Manila	PSE	3,160.76	3,128.38	+1.04
Jakarta	Composite Index	626.57	626.68	-0.02
Wellington	NZSE-40	2,377.53	2,357.57	+0.85
Bombay	Sensitive Index	2,941.36	2,798.57	+5.10

Source: Telekurs International Herald Tribune

Telstra Sale Gets Go-Ahead

Reuters

CANBERRA — The Senate approved plans Wednesday to sell one-third of the government-owned telecommunications carrier Telstra Corp., a move that opened the way for the biggest share offering in the country's history.

The 8 billion Australian dollar ($6.4 billion) sale of Telstra is to be the largest of a series of privatizations that has seen publicly owned national symbols as Qantas Airways Ltd. and Commonwealth Bank of Australia Ltd. put on the market.

The bill was opposed by nongovernment parties in the Senate and barely cleared the upper house with the help of two independent members. Opponents focused on the company's dominance of the local-telephone market, saying any company with near-monopoly powers should be publicly owned.

To secure the support of voters and the Senate, Mr. Howard promised to allocate 1.1 billion dollars of the sale proceeds to an environmental repair fund and added 250 million dollars to a fund for rural telecommunications development.

The privatization legislation limits foreign investors to a total of 11.7 percent of Telstra — equal to 35 percent of the offering of a one-third stake in the company — and limits individual foreign investors to 5 percent or less.

Very briefly:

• **The Reserve Bank of Australia** cut interest rates half a percentage point, taking its overnight cash rate to 6 percent. The bank said the cut, the third in five months, reflected further improvement in Australia's inflation prospects.

• **Indonesia** sold 388 million shares, or a 4.15 percent stake, in the state-owned **PT Telekomunikasi Indonesia** for 3,650 rupiah ($1.55) a share, raising net proceeds of $600 million.

• **Thailand's** new prime minister, Chaovalit Yongchaiyut, said in unveiling his economic policy that the government would develop Thailand's money markets to try to increase its chances of becoming a regional financial hub while maintaining fiscal discipline and promoting domestic savings.

• **Daewoo Corp.** signed an agreement to build an expressway in eastern China and operate it for 30 years before transferring ownership to China. The Xinhua news agency said the project would cost 1.6 billion yuan ($191.5 million).

• **Porsche AG** is looking into whether **Indomobil Group** has the facilities to assemble and market its sports cars in Indonesia.

• **Thai, Belgian and American** companies signed a joint-venture contract to build the first stage of a $1 billion special economic zone in Vietnam, to be located near the northern port of Haiphong.

• **Oriental Land Co.'s** shares rose as much as 12 percent in their trading debut before ending at 8,800 yen ($77.57), up 750, or 9 percent, from the initial offering price in heavy volume.

• **Sime Darby Bhd.** shares surged to a record 9.70 ringgit ($3.80) after Malaysia's central bank cleared it to negotiate for a major stake in **Oriental Bank Bhd.**, the banking arm of **Malaysian Industrial Development Finance Bhd.**

• **Matsushita Electric Industrial Co.** and **Toyota Motor Corp.** established a 60-40 joint venture to develop, make and sell nickel metal hydride rechargeable batteries for electric vehicles.

• **North Korea** is to open its air space to international air traffic at year-end or early in 1997 after negotiations with the International Air Transport Association, an IATA representative said at a news conference in Tokyo.

AP, AFP, Reuters, Bloomberg, AFX

Japan Current-Account Surplus Shrinks

Compiled by Our Staff From Dispatches

TOKYO — Japan's current-account surplus fell 19.6 percent in October from a year earlier as Japanese investors sought higher-yielding assets overseas, but the overall pace of decline slowed, the Ministry of Finance said Wednesday.

The current-account surplus, Japan's broadest measure of trade in goods and services, was 367.4 billion yen ($3.24 billion) for October. The year-on-year drop in September was more than 35 percent.

The Japanese invested heavily overseas in October to take advantage of higher interest rates and a stronger dollar, economists said. Japanese investors bought a net 1.674 trillion yen in foreign bonds and a net 112.3 billion in foreign stocks in October, the Ministry of Finance said in a separate report.

The deficit in services, fueled largely by a rise in overseas travel, hit a record 657.9 billion yen in October, up 9.1 percent.

Japan's trade surplus with the United States rose 31.3 percent in October, to 354.79 billion, the first rise in 20 months, largely on vehicle exports. *(Bloomberg, Reuters, AFP)*

RESIST: *Developing Nations Reject WTO Role*

Continued from Page 15

reduction in state-imposed barriers to trade through WTO agreements have focused attention on barriers imposed by anti-competitive business restraints.

Many members of the World Trade Organization discriminate against the goods, services and suppliers of other countries in awarding contracts, and industrial nations say this should be rectified by having the WTO develop a code of open bidding.

Because government procurement of goods and services often represents as much as 15 percent of gross national product, the absence of equal treatment for foreign and local companies is considered by industrial powers to be a major flaw in the multilateral trading system.

The sharp rise in foreign direct investment to $315 billion in 1995, from $25 billion in 1973, has also brought the role of investment to the front of the multilateral trade debate.

Reflecting the views of many other developing countries, Mohammed Zubair Khan, Pakistan's commerce minister, said, "We recognize that some of our partners are impatient to continue liberalization lest the tide be reversed."

But he warned that it would be "counterproductive to overload the WTO's agenda" with new issues, such as investment and competition policy.

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WORLD ROUNDUP

Yanks Sign Stanton

BASEBALL The New York Yankees have signed free-agent reliever Mike Stanton to a three-year contract, the World Series champions announced Wednesday. Terms were not disclosed, but some reports estimated the deal to be worth $5.3 million.

The Yankees had been seeking a left-handed pitcher for their bullpen, as the team's ace reliever. John Wetteland, may leave via free agency and set-up man Mariano Rivera may be asked to step into the closer's role. Wetteland, the World Series MVP, is seeking a three-year deal worth about $6 million a year.

The 29-year-old Stanton was 4-4 with one save and a 3.66 ERA in 81 appearances with Boston and Texas last season. *(Reuters)*

India Closes In on Victory

CRICKET India was poised on Wednesday to win its home cricket-test series against South Africa, whose top batsmen floundered on the penultimate day of the third and final test in Kanpur, India.

Set a victory target of 461 by India, South Africa lost half the side with only 127 on board in its second knock on a slow, deteriorating wicket. Overnight 270 for five, India declared its second innings closed at lunch as the score reached 400 for 7 wickets. India owed its formidable position to a scintillating 163 not out by Mohammed Azharuddin. He was well supported by Rahul Dravid, who scored 56. *(AP)*

Field Narrows for Award

SOCCER FIFA's 1996 Player of the Year will be either Barcelona's striker, Ronaldo; Alan Shearer of Newcastle, or AC Milan's George Weah, world soccer's governing body announced on Wednesday.

The three players gained the greatest number of votes in a poll of more than 100 national team coaches, FIFA said. If Weah wins, it would be the second straight year that he has won the award, and he would receive it with a FIFA trophy for fair play at a ceremony in Lisbon on Jan. 20. *(Reuters)*

In Your Ear, Patrick!

N.Y. Fans Boo Ewing as Knicks Win

The Associated Press

Patrick Ewing, playing for the first time since he criticized his home fans, heard some of the loudest boos of his career as the New York Knicks sent the Washington Bullets to their fifth straight loss.

Ewing was booed Tuesday night in New York during player introductions and nearly every time he touched the ball, but he scored four straight baskets after his 0-for-8 start to help New York pull ahead for good in the second quarter. The 12-year veteran finished with 15 points on 7-for-21 shooting.

Allan Houston and John Starks also had 15 points each for New York. Buck Williams had a season-high 15 rebounds. Chris Webber led Washington with 20 points and 12 rebounds.

Warriors 101, Raptors 91 In Toronto, Joe Smith scored a career-high 36 points and grabbed a season-high 17 rebounds for the Warriors. Latrell Sprewell added 23 points and Chris Mullen had 16 as the Warriors outrebounded the Raptors, 51-32, and ended Toronto's four-game home winning streak.

Hawks 89, Nuggets 88 Steve Smith capped off a brilliant second half by hitting a jumper in the lane with 3.9 seconds left for host Atlanta. Smith managed only two points in the first half, but scored 18 in the final two quarters as the Hawks won their seventh in a row at home.

Heat 76, Cavaliers 74 In Cleveland, Voshon Lenard banked in a shot at the buzzer for the Heat. Lenard finished with eight points. The Heat were led by Tim Hardaway's 25, while Alonzo Mourning had 14.

Rockets 96, Timberwolves 94 Clyde Drexler made an off-balance, driving layup with 1.3 seconds to play as visiting Houston improved to 18-2. Drexler scored a season-high 36 points and Hakeem Olajuwon had 29 for Houston. Charles Barkley, slowed by a foot injury, had just seven points but grabbed 12 rebounds.

Pistons 93, Bucks 85 In Milwaukee, Joe Dumars scored 14 of his 29 points in the fourth quarter and Grant Hill added 26 as Detroit won its fifth straight.

Jazz 110, Pacers 86 Utah set a franchise record with its 15th consecutive victory, getting a career-high 21 points and 15 rebounds from Greg Ostertag at home.

NBA ROUNDUP

Suns 93, Spurs 76 In Phoenix, Wesley Person tied his career-high with 29 points as the Suns won their fourth straight. David Robinson, sidelined with a sore back for the first 18 games this season, had nine points and nine rebounds for the Spurs in his season debut. Dominique Wilkins led San Antonio with 17 points.

Magic 99, Blazers 93 Gerald Wilkins scored 10 of his 18 points in the last 5:16 to help the visiting Magic snap a four-game losing streak.

Mavericks 100, Clippers 95 Chris Gatling scored 14 of his 30 points in the third quarter to lead visiting Dallas. Jason Kidd added 18 points and George McCloud had 17 for the Mavericks.

Lakers 92, Kings 90 In Sacramento, Eddie Jones made two free throws with nine seconds remaining to lift the Lakers to victory.

■ Rodman Suspended by Bulls

The Chicago Bulls suspended forward Dennis Rodman without pay for two games, citing his profane language in a television interview following the team's loss Sunday to the Toronto Raptors. The Bulls said the suspension would go into effect immediately, with Rodman missing Wednesday's game against Minnesota and Friday's game at New Jersey.

Ray Stubblebine/Reuters

Patrick Ewing of the Knicks, right, driving into Gheorghe Muresan of the Bullets at Madison Square Garden.

Knicks' Captain Needs a Dose of the Real World

New York Times Service

NEW YORK — The fans are annoying Patrick Ewing, a tall person who plays a game for a living — and quite a handsome living, at that. "They're annoying me," Ewing said after the Knicks beat the Los Angeles Clippers last Saturday but were booed by their home fans for a sloppily played game.

Ewing was irked by the people who pay up to $1,000 for courtside seats to watch him and his playmates run around after a leather ball in their shorts and undershirts. "If they're going to act the way they act, they might as well stay home," Ewing said. "I'm just tired of it. It's been like that for 12 years, and I'm fed up with it."

Many of those same fans booed Ewing vigorously on Tuesday night when the Knicks beat the hapless Bullets, 85-73, at Madison Square Garden.

Vantage Point / IRA BERKOW

Ewing plays a game that a lot of people play simply for pleasure. He plays it for millions of dollars — $3 million this season, but $18 million last season in the balloon year of his contract. There are a lot of people who would play it for a lot less. There are probably fans out there who would play the game of basketball for, say, $2 million a year, or even only $1 million!

There might be a truck driver, or mailman, or cop, or fireman, or schoolteacher who would like to do his job for what Patrick Ewing earns laboring at his, and he might even accept some boos along the way. Just as he would accept the cheers. The kind of cheers that Patrick Ewing has heard ring in his ears for much of the past 12 years.

Perhaps when one earns millions of dollars a year, he doesn't have to be bothered about taking the good with the bad, or be concerned with the fact that he is a paid entertainer, and that when he and his small assemblage aren't entertaining, those who pay feel as if they have had their pockets picked.

In his obvious frustration with another dull, mediocre performance — for want of a better term — and in his lashing out at the many-headed scapegoat that filled the stands, Ewing didn't utter annoyance about his teammates. They, along with him, were desultory about picks and screens, haphazard about their defense and spasmodic about their shooting. Nor was he thin-skinned about the other team, which, at one point, scored 21 straight points before falling, 89-80. No, he was instead mad at the home-town crowd.

Ewing would be better served by looking inward instead of outward. While he has been an All-Star, he has never been on a championship team in the pros.

While Ewing remains one of the better centers in the league, he is not, and never has been, the ultimate team player, who makes everybody else around him better. He will never pass like Bill Walton, rebound like Bill Russell and have the slick, power moves to the hoop of Hakeem Olajuwon. And it is not because Ewing lacks skills. He has, from this view, lacked the total will. While he has been a great physical specimen, he has never quite grasped how to be the complete basketball player.

Instead of griping, Ewing might have thanked the fans for their candor, as well as for paying the salary that allows him to make ends meet.

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No Tomba, No Street: The 'White Circus' Looks Bland

By Christopher Clarey
Special to the Herald Tribune

AT FIRST GLANCE, it has been a typical early season on the World Cup ski circuit: inclement weather, postponed races, plenty of Austrians on the podiums and two familiar jacks-of-all-slopes on the December leaderboard in Germany's Katja Seizinger and Norway's Kjetil-Andre Aamodt.

But as the "white circus" leaves North America and moves back to its traditional power base in Europe for four races this week in Val d'Isere, France, something important is missing: charisma.

"There are many great skiers but not many great personalities," Gustavo Thoeni, the Italian great, says.

Picabo Street, a freckle-faced font of run-on sentences and downhill victories, provided plenty of personality the last three years for the women. But she is out for the season, after tearing knee ligaments during training in Vail, Colorado last week. Meanwhile, Thoeni's former protege, Alberto Tomba, who was injured less seriously in October, has yet to confirm when he will start his season.

Italian news agencies are reporting that Tomba, the only active men's skier capable of generating enthusiasm when snow is not on the ground, will resume his remarkable career Tuesday at a slalom in Madonna di Campoglio, Italy.

But Luca Reboa, spokesman for the Italian Ski Federation, said Wednesday, "We simply don't know; we are hoping Alberto decides by the end of this week."

Even if Tomba does return to action before Christmas, there are serious doubts about his motivation.

He will turn 30 later this month and has no mountains left to climb in his sport after winning three Olympic gold medals and the overall World Cup title in 1995. He filled the final gap in his curriculum vitae last winter by winning the slalom and giant slalom at the world championships. Tomba has flirted with retirement since the Olympics in 1994 and is skiing this season because the next world championships will be held in February in Sestriere, the Italian resort with links to the influential Agnelli family, where Tomba has often performed superbly.

BUT WILL a major competition on home snow be enough to get one more rise out of the Italian? Unlike Marc Girardelli, another still-active 30-something star with scores of World Cup victories to his credit, Tomba is not a methodical self-starter.

"At 5 A.M., Girardelli is waking up, and I am going to sleep," Tomba once cracked.

"In 1988 and 1992 it was easy," Tomba said recently. "But now skiing is a job."

Perhaps but skiing without Tomba is considerably less fun for everyone else except the opposition. A quick look at the sport's other leading figures as the European swing begins:

The Defending Champions: Seizinger, who won her first overall World Cup title last season, is a heavy favorite to repeat. Once a threat only in the speed events — downhill and Super G — she is now a threat in the giant slalom as well. In seven races this season, she has won twice and finished second and third. Norway's versatile Lasse Kjus, the men's overall winner last season, has been as bad as Seizinger has been good. He has completed only one of the five races contested thus far, finishing seventh in the giant slalom in Breckenridge, Colorado.

The Perennials: Aamodt, who happens to be Kjus's close friend and roommate, finished with a surge last season and appears to have regained the form that made him the world's dominant — if not most quotable — skier in 1994. Girardelli, who holds the men's record for overall World Cup titles with five, is diminished but back again at age 33 after finishing 22d last season. Austria's Gunther Mader, the best active skier without an overall World Cup title, returns, as does Luc Alphand, the affable Frenchman who has won two successive World Cup downhill titles. Sweden's striking Pernilla Wiberg already has been on three podiums this season. Deborah Compagnoni of Italy, who has a remarkable ability to save her best for Olympics and world championships, is healthy, which bodes well for Sestriere.

Would-Be Perennials: With improved prize money, sponsorship and medical treatment, skiers are extending their careers, which means new stars are not abundant. Three to watch this season: Austria's Renata Goerschl, a fine skier who could become a great one at only age 21; New Zealand's slalom specialist Claudia Riegler, and Norway's Ingeborg-Helen Marken, who is at her best in the speed events.

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Champion PSG Draws AEK Athens in Cup

The Associated Press

GENEVA — Liverpool avoided the big names in the European Cup Winners Cup quarterfinal draw Wednesday when it was matched with Norway's SK Brann.

Now it has a good chance to move closer to a final venue, which has been kind to English clubs in the past. English teams have won the last two Cup Winners Cup finals in Rotterdam (Everton in 1985 and Manchester United in 1991) as well as winning the first to be staged there back in 1963 (Tottenham).

The final this season has been set for May 14.

While Barcelona faces AIK Solna of Sweden, Benfica meets Fiorentina and defending champion Paris Saint Germain is host to AEK Athens, Liverpool visits the Norwegian club in the first leg March 6 and has the advantage of playing the second at Anfield two weeks later.

In the UEFA Cup quarterfinal, favored Inter Milan goes to Belgium's Anderlecht in the first leg March 4, Newcastle is host to AS Monaco.

Tenerife is host to Danish club Brondby, which produced the biggest turnaround in European cups history in the previous round, and Valencia goes to Germany's Schalke in the first leg.

Brondby scored a spectacular 5-0 victory at Germany's Karlsruhe in the second leg, after losing 3-1 at home.

Newcastle beat another French club, Metz, in the previous round.

■ Friedel Gets the Nod

Kasey Keller has not surrendered a goal in three World Cup qualifying matches, but, at least temporarily, he has surrendered his starting job with the U.S. soccer team, the New York Times reported from New York on Wednesday.

When the Americans play host to Costa Rica on Saturday in Palo Alto, California, Keller will be on the bench and Brad Friedel will be the starting goalkeeper.

Following an injury, Keller was sidelined and Friedel took over for a match. Coach Steve Sampson told Friedel he would retain his starting position with the national team if he played well, which he did.

هكذا من الأصل

SPORTS

NFL Up for Grabs

3 Titles and 6 Wild Cards Undecided

By Timothy Smith
New York Times Service

NEW YORK — With just two weeks remaining in the National Football League regular season, three division titles and six wild-card spots are still up for grabs.

Teams that started out with so much promise, such as Washington and Buffalo, are now fighting to keep from falling out of the playoffs. Teams such as Minnesota (8-6), Indianapolis (8-6), Houston (7-7), Jacksonville (7-7) and San Diego (7-7) are clawing to make it in.

In one of the more interesting scenarios that could play out during the last two weeks, the Panthers, which became the first NFL expansion team to qualify for the playoffs in its second year of existence, can snatch the home-field advantage away from the Green Bay Packers if the two teams finish with identical records and get into a tie-breaker situation.

Carolina (10-4) must win at home against Baltimore and Pittsburgh and Green Bay (11-3) would have to split its games against Detroit and Minnesota. Both Carolina and Green Bay have the same conference record (5-2) and the tie breaker would go to net conference points. Carolina leads in that category by 10 points.

The National Football Conference East is the closest race, with Dallas (9-5) holding a one-game lead. The Cowboys were tied with Philadelphia and Washington going into last week's games, but both Philadelphia and Washington lost.

The Redskins (8-6), who jumped out to a 7-1 start and have now lost five of their last six games, finish with division games against Arizona next week and Dallas on Dec. 22.

The Eagles (8-6) play the New York Jets on Saturday and finish their season with a game at Arizona. The division champion might not be determined until that last game between the Redskins and Cowboys.

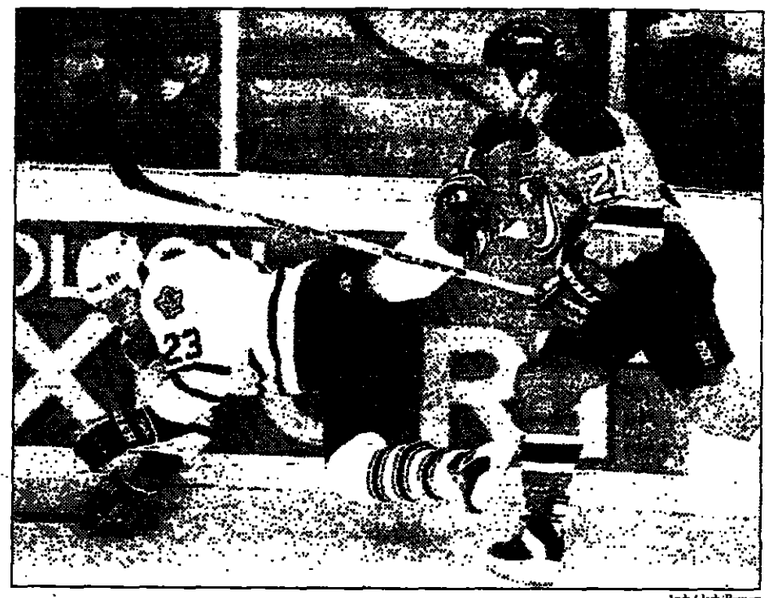
Dallas has the best record in the division (5-2) and in the conference (8-3).

In the American Football Conference, Pittsburgh (10-4) has clinched the Central Division and Denver (12-2) has sewn up the West Division as well as the home-field advantage throughout the playoffs.

The New England Patriots (10-4) have clinched a playoff spot, but are trying to win the AFC East and give Coach Bill Parcells his first division title in his three-year tenure with the team. Buffalo (9-5) still has a shot at the division title.

The Bills play at Miami next Monday night and finish at home against Kansas City. New England has a much tougher path, playing its last two games on the road — at Dallas and against the New York Giants.

The only teams that have been eliminated from the playoffs are the Jets, the Giants, Atlanta, Chicago, New Orleans, Tampa Bay and Detroit.



Andy Clark/Reuters

The Leafs' Jeff Ware, left, being knocked to the ice by the Devils' Randy McKay.

Flyers Take 3d Straight, 5-4

The Associated Press

Eric Lindros, Joel Otto and John LeClair each had a goal and an assist as the Philadelphia Flyers won their third straight game, 5-4, over the Florida Panthers.

The host Flyers also got goals from Scott Daniels and Eric Desjardins on Tuesday night. Florida's goalie, John Vanbiesbrouck, entered the game with a league-best 1.67 goals-against average.

Ray Sheppard, Martin Straka, Jason Podollan and Scott Mellanby scored for Florida as the Panthers lost for only the third time in 14 road games this season.

Islanders 8, Coyotes 2 Niklas Andersson had a five-point night with two goals and three assists as the host Islanders had their biggest offensive output in three seasons.

NHL ROUNDUP

Devils 5, Maple Leafs 2 In Toronto, Brian Rolston, Denis Pederson, Bill Guerin, Valeri Zelepukin and ex-Maple Leaf Dave Andreychuk scored for the Devils.

Senators 5, Flames 5 Jonas Hoglund scored with less than a minute left in the third period as the host Flames salvaged a tie with Ottawa.

Penguins 5, Kings 3 Jaromir Jagr extended his goal-scoring streak to nine games with two tallies, and Mario Lemieux had a power-play goal as the visiting Penguins stretched their unbeaten streak to eight with a victory over the Kings. It marked the third straight time that Jagr and Lemieux had scored a goal in the same game and the 10th time this season.

Oilers 0, Red Wings 0 In Detroit, Edmonton's goaltender, Curtis Joseph, made 52 saves and Detroit's Chris Osgood stopped 21 shots as the Oilers and Red Wings played to a scoreless tie.

Still Reeling in Guatemala

Stadium Stampede Killed 5 in One Family

The Associated Press

MIXCO, Guatemala — Alberto Chamale, 71, was watching on his old black-and-white television set when Latin America's worst soccer-stadium stampede began. His family of 12 was about to be cut nearly in half.

Chamale had tuned in for Guatemala's World Cup qualifier against Costa Rica on Oct. 16 when tragedy struck the stadium 16 kilometers (10 miles) away in Guatemala City.

First there were reports of fans, desperate to get in, shoving at the southern entrance to Mateo Flores Olympic Stadium. Then came accounts of a crowd pushing through the entrance, then bodies atop bodies cascading down the slope of the southern stands.

Wild cheering drowned out the first cries for help. When it was over, 84 people were dead, including five from Chamale's family, and 156 were injured.

Chamale said the horror hit home quickly as he watched in his house in a labyrinth of rutted dirt alleys pocked by trash and gang graffiti.

"An announcer came on TV and said, 'There have been some deaths,' " he said. "The first name they gave was my son, Edgar. I burst into tears. Then they starting saying five dead, eight, 15, and so on."

In Mixco, supportive neighbors rushed to Chamale's home that night. Two days later, his grown sons Samuel and Edgar, his daughters Blanca Liria and Maria del Carmen, and his 17-year-old granddaughter, Monica, were buried. "We were 12, now we are half," said Chamale, slumped amid the bare furnishings of his home.

Selvin Galindo, the special prosecutor in the case, said three arrests had been made, including those of two men accused of selling false tickets. They have professed innocence.

But Galindo said he would press forward with prosecution in January on homicide and other charges against those he believed had contributed to the tragedy.

Galindo said prosecutors would argue that a stadium that should hold about 32,000 fans had been oversold by more than 13,000 and that, in addition, a "mafia" working independently had sold fake tickets made with color photocopiers.

Many of the families of victims seek compensation from the thousands of dollars in gate receipts that have been frozen by authorities. Chamale said he had not had any help beyond a collection by neighbors, and that he still owed money for two burials.

Blanca Liria, 26, made blue jeans at a nearby plant, and Maria del Carmen, 36, worked as a chemist at a cosmetics factory. Edgar Genaro was a mechanic and amateur soccer player and Samuel, 35, a funeral home worker. Monica Elizabeth, just 17, was studying to be a secretary.

Meanwhile, the survivors are doing their best. One son, Marco Artulio, 31, came home that night with bruises and a broken leg. His wife, Ana Lopez, 23, said her husband was an accountant who had not gone back to work but needed to because of the approaching tax season.

She said the family was in the stands in front of the southern entrance when the pile-up began. "They got separated, and he survived," Ana Lopez said. Where once there was conversation and laughter each night as grown children returned from their jobs, now, she said, "Every night there is crying."

■ Damages Awarded in '89 Disaster

A Liverpool soccer fan, John McCarthy, won £201,729 ($334,000) in damages Wednesday from police for stress caused by the death of his half-brother in the Hillsborough stadium disaster of 1989, Reuters reported from London.

Ian Glover, the teen-aged half-brother, was one of 96 Liverpool supporters who were crushed to death in an overcrowded area of terracing and had been prevented by a fence from escaping onto the field. The deaths took place at a Cup semifinal game against Nottingham Forest in Sheffield, England.

"It was a horrendous event," Justice Michael Sachs said in giving the High Court verdict. He awarded damages against the chief constable of the South Yorkshire police force, responsible for policing the match, for the post-traumatic stress disorder suffered by McCarthy.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	16	5	.762	—
New York	13	6	.684	2
Orlando	9	8	.529	5
Washington	7	11	.389	7½
Philadelphia	7	12	.368	8
New Jersey	4	11	.267	9
Boston	4	14	.222	10½

CENTRAL DIVISION

Chicago	17	3	.850	—
Detroit	16	3	.842	½
Cleveland	12	7	.632	4½
Atlanta	12	8	.600	5
Charlotte	10	9	.526	6½
Milwaukee	10	9	.526	6½
Indiana	8	10	.444	8
Toronto	7	13	.350	10

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	18	2	.900	—
Utah	17	2	.895	½
Dallas	8	11	.421	9½
Minnesota	7	13	.350	11
Denver	5	16	.238	13½
San Antonio	3	16	.158	14½
Vancouver	3	18	.143	15½

PACIFIC DIVISION

Seattle	16	6	.727	—
L.A. Lakers	16	7	.696	½
Portland	12	9	.571	3½
Golden State	8	13	.381	7½
L.A. Clippers	7	14	.333	8½
Sacramento	7	14	.333	8½
Phoenix	5	14	.263	9½

TUESDAY'S RESULTS

Golden State	26	34	28	23—111
Toronto	27	17	15	32— 91

G.S. Smith 12-23 12-14 36, Sprewell 7-14 7-9 23; T: Stoudamire 8-17 1-1 19, Williams 7-17 2-2 16. Rebounds—Golden State 57 (Smith 17), Toronto 39 (Rogers 8). Assists—Golden State 15 (Mullin 15), Toronto 22 (Stoudamire 10).

Washington	16	17	20	28—72
New York	17	25	22	21—85

W: Webber 7-14 6-11 20, Murdock 6-9 0-2 12; N.Y.: Ewing 7-21 1-2 15, Houston 6-12 1-2 15, Starks 5-12 3-3 15. Rebounds—Washington 54 (Webber 12), New York 61 (B.Williams 15). Assists—Washington 16 (Strickland 6), New York 23 (Childs 7).

Denver	18	12	21	32— 83
Atlanta	19	21	28	21— 89

D: D.Ellis 7-15 2-3 21, L.Ellis 9-22 1-2 19; A: Lowther 6-13 10-11 22, Blaylock 7-14 5-6 21. Rebounds—Denver 58 (McDyess 11), Atlanta 52 (Mutombo 13). Assists—Denver 16 (Jackson 10), Atlanta 15 (Blaylock 5).

Miami	25	24	18	19— 76
Cleveland	16	19	22	17— 74

M: Hardaway 7-14 7-7 25, Mourning 3-11 8-12 14; C: Mills 7-17 1-1 17, Hill 6-13 3-5 15. Rebounds—Miami 46 (Mourning 7), Cleveland 50 (Hill 12). Assists—Miami 12 (Majerle 8), Cleveland 20 (Brandon 6).

Houston	29	21	27	19— 96
Minnesota	25	25	30	13— 94

H: Drexler 14-20 7-9 36, Olajuwon 10-20 9-12 29; M: Mitchell 11-19 6-6 28, Marbury 8-18 0-0 18. Rebounds—Houston 57 (Barkley 12), Minnesota 52 (Mitchell 13). Assists—Houston 23 (Drexler 8), Minnesota 23 (Marbury 12).

Detroit	21	26	22	24— 93
Milwaukee	16	27	27	15— 85

D: Dumars 11-16 5-7 29, Hill 11-25 4-5 26; M: Baker 11-20 6-9 28, Allen 6-11 2-2 14, Thompson 5-8 0-0 10. Rebounds—Detroit 35 (Long, Thorpe 5), Milwaukee 40 (Baker, Newman 7). Assists—Detroit 19 (Hill 9), Milwaukee 20 (Douglas 6).

Indiana	18	25	18	25— 86
Utah	25	28	24	33—110

I: Miller 4-13 4-4 12, D.Davis 4-10 3-4 11; U: Malone 8-21 6-8 22, Ostertag 6-13 9-13 21. Rebounds—Indiana 47 (Dampier 10), Utah 63 (Ostertag 15). Assists—Indiana 15 (Dampier 5), Utah 26 (Stockton 9).

San Antonio	21	17	25	13— 76
Phoenix	28	23	26	24— 93

SA: Wilkins 6-12 4-4 17, Elliott 4-7 3-3 12; P: Person 13-21 1-1 29, Finley 6-16 0-0 12, Manning 5-8 2-4 12. Rebounds—San Antonio 45 (Robinson 9), Phoenix 51 (J.Williams, Finley 9). Assists—San Antonio 15 (A.Johnson 6), Phoenix 26 (K.Johnson, Cassell 6).

Orlando	21	29	17	32— 99
Portland	29	21	19	24— 93

O: Scott 6-13 2-3 18, Wilkins 6-12 5-6 18; P: Robinson 11-18 8-12 33, Wallace 10-16 0-0 20. Rebounds—Orlando 42 (Grant 8), Portland 53 (Wallace 10). Assists—Orlando 21 (Hardaway 8), Portland 23 (Anderson 12).

Dallas	27	19	28	26—100
L.A. Clippers	27	30	18	20— 95

D: Gatling 9-13 12-15 30, McCloud 7-13 1-2 17; L.A. Clippers: Vaught 7-9 0-0 14, Scully 4-8 5-5 14. Rebounds—Dallas 45 (Jackson 8), Los Angeles 40 (Vaught 10). Assists—Dallas 15 (Odid 5), Los Angeles 18 (Rogers 5).

L.A. Lakers	31	24	14	23— 92
Sacramento	24	22	26	26— 98

L.A.: O'Neal 10-24 7-13 27, Campbell 10-15 0-1 20; S: Polynice 5-12 8-8 18, Richmond 6-17 4-4 17. Rebounds—Los Angeles 44 (O'Neal 13), Sacramento 52 (Polynice 12). Assists—Los Angeles 22 (Fisher 6), Sacramento 24 (Owens 6).

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Florida	17	5	7	41	88	59
Philadelphia	16	12	2	34	86	82
New Jersey	15	11	1	31	69	67
N.Y. Rangers	13	13	5	31	106	88
Washington	13	14	1	27	72	73
N.Y. Islanders	9	11	8	26	75	74
Tampa Bay	9	15	2	20	73	84

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Hartford	13	7	6	32	83	80
Buffalo	13	13	2	28	82	83
Montreal	12	14	4	28	102	106
Pittsburgh	12	13	3	27	96	100
Boston	10	12	5	25	77	90
Ottawa	8	12	7	23	72	84

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	15	9	5	35	81	53
Dallas	16	10	2	34	78	67
St. Louis	15	14	0	30	85	86
Chicago	12	15	3	27	75	76
Toronto	12	18	0	24	86	105
Phoenix	10	15	4	24	69	90

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	17	8	4	38	102	64
Edmonton	14	15	2	30	101	93
Vancouver	14	12	1	29	86	86
Los Angeles	12	14	3	27	79	90
Anaheim	10	15	5	25	82	94
San Jose	10	14	4	24	72	91
Calgary	10	16	4	24	71	83

TUESDAY'S RESULTS

Phoenix	0	1 1—2
N.Y. Islanders	1	6 1—8

First Period: New York, McInnis 8 (King, Green) Second Period: New York, Berard 3 (McInnis), 3, Phoenix, Tkachuk 12 (Gartner, King) 4, New York, Palffy 18 (Houda, Andersson) 5, New York, Smolinski 4 (Andersson, Berard) (pp), 6, New York, Lapointe 4 (Palffy, McCabe) 7, New York, McCabe 3 (McInnis, Andersson) (sh), 8, New York, Andersson 3 (Berard, Lapointe) Third Period: New York, Andersson 4 (Palffy, Smolinski) 10, Phoenix, Tverdovsky 7 (Drake, Roenick) Shots on goal: Phoenix 11-8-11—30. New York 7-15-8—30. Goalies: Phoenix, Khabibulin, Wakaluk. New York, Salo.

Florida	0	1	2—4
Philadelphia	2	2	1—5

First Period: P-Otto 4, 2, P-, Daniels 5 (Druce) Second Period: F-Sheppard 13 (Straka) (pp), 4, P-Desjardins 5 (Otto, Folliaon) 5, P-, LeClair 16 (Renberg, Lindros) Third Period: F-Podollan 1 (Hud, Sheppard) (pp), 7, P-Lindros 2 (LeClair) 8, F-, Straka 2 (Lowry, Svehla) 9, F-Mellanby 11 (Svehla) (pp). Shots on goal: F- 7-8-7—22. P- 12-10-7—29. Goalies: F-Vanbiesbrouck. Fitzpatrick. P-, Hextall.

New Jersey	1	2	2—5
Toronto	1	1	0—2

First Period: N.J.-Roiston 9 (Holik, Guerin) 2, T-Yushkevich 2 (Sundin) (sh). Second Period: N.J.-Pederson 3 (Pandolfo, Stevens) 3, N.J.-Guerin 9 (Roiston) 4, T-Domi 4 (Hendrickson, Yushkevich) Third Period: N.J.-Zelepukin 5 (Pederson, MacLean) 7, N.J.-Andreychuk 9 (MacLean) Shots on goal: N.J.- 16-10-11—37. T- 7-10-10—27. Goalies: N.J., Brodeur. T-Potvin, Cousineau.

Edmonton	0	0	0—0
Detroit	0	0	0—0

First Period: None. Second Period: None. Third Period: None. Overtime: None. Shots on goal: E- 4-6-8-3—21. D- 12-16-21-3—52. Goalies: E-Joseph. D-Osgood.

Ottawa	2	2	1 0—5
Calgary	2	2	1 0—5

First Period: C-Gagner 16 (O'Sullivan) (pp), 2, O-Alfredsson 11 (Olsson, Von Stefenelli) (pp), 3, C-Tkav 10 (Gagner, Fleury) (pp), 4, O-Zhaltok 1 (Conneyworth) Second Period: O-Yashin 11 (Duchesne, Alfredsson) (pp), 6, O-Chorske 3 (Redden, Gardiner) 7, C-Stillman 1 (Gagner, Fleury) (pp), 8, C-Iginla 10 (Reichel) . Third Period: O-Olsson 1 (Alfredsson, Yashin) (pp), 10, C-Hogland 1 (Millen, Stillman) Overtime: None. Shots on goal: O- 10-15-6-1—32. C- 6-16-6-1—37. Goalies: O-Rhodes. C-Kidd, Roloson.

Pittsburgh	2	2	1—5
Los Angeles	0	1	2—3

First Period— 1, P-Nedved 14 (Sandstrom, Woolley) 2, P- Lemieux 13 (Hatcher, Woolley) (pp). Second Period— 3, P-Roche 3 (Hatcher, Johansson) 4, L.A.-Smyth 4 (Boucher, Stanley) 5, P-Jagr 28 (Lemieux, Francis) Third Period: L.A.-Olczyk 8 (Boucher) 7, Los Angeles, Blake 6, 8, P-Jagr 29 (Francis) (en). Shots on goal: P- 6-9-10—25. L.A.- 4-17-15—36. Goalies: P-Wregget. L.A.-Dafoe.

GOLF

WORLD RANKINGS

The golf world rankings issued in London:

1. Greg Norman (Australia) 10.78 points, 2. Tom Lehman U.S. 9.61, 3. Colin Montgomerie (Britain) 9.05, 4 Ernie Els (South Africa) 9.02, 5. Fred Couples U.S. 8.55, 6. Nick Faldo (Britain) 8.20, 7. Phil Mickelson U.S. 7.85, 8. Masashi Ozaki (Japan) 7.58, 9. Davis Love III U.S. 7.53, 10. Mark O'Meara U.S. 7.12, 11 Corey Pavin U.S. 7.00, 12. Steve Stricker U.S. 6.19, 13. Nick Price (Zimbabwe) 6.05, 14. Steve Elkington (Australia) 5.91, 15. Bernhard Langer (Germany) 5.50, 16. Scott Hoch U.S. 5.44, 17. Tom Watson U.S. 5.28, 18. Loren Roberts U.S. 5.20, 19. David Duval U.S. 5.19, 20. Mark Brooks U.S. 5.18.

SOCCER

ASIA CUP

GROUP B

WEDNESDAY, IN DUBAI

Iran 3, Saudi Arabia 0
Iraq 4, Thailand 1

Final standings: Iran 6, Saudi Arabia 6, Iraq 6, Thailand 0.

Iran, Saudi Arabia and Iraq qualify for the quarter-finals.

EUROPEAN CUPS DRAWS

WEDNESDAY, IN GENEVA

UEFA CUP

Newcastle, England vs: Monaco, France
Tenerife, Spain vs. Brondby, Denmark
Schalke, Germany vs. Valencia, Spain
Anderlecht, Belgium vs. Inter Milan, Italy

First leg to be played on March 4 with the return leg on March 18.

CUP WINNERS' CUP

Benfica (Portugal) v Fiorentina (Italy)
Paris SG, France vs. AEK Athens, Greece
Bergen, Norway vs. Liverpool, England
Barcelona, Spain vs. AIK Stockholm, Sweden

First leg to be played on March 6 and second leg March 20.

TRANSITIONS

BASEBALL

MAJOR LEAGUE BASEBALL

AMERICAN LEAGUE

ANAHEIM—Assigned C Scott Vollmer to Vancouver, PCL.

BALTIMORE—Acquired C Ryan Luzinski from the Los Angeles Dodgers for OF Rolando Avila. Assigned Luzinski to Rochester, IL.

CLEVELAND—Agreed to terms with RHP Eric Plunk on 3-year contract.

KANSAS CITY—Extended the contract of Bob Boone, manager, for 2 years, through 1999.

SEATTLE—Agreed to terms with INF Rich Amaral on 2-year contract. Claimed OF Lou Frazier off waivers from the Texas Rangers.

TEXAS—Agreed to terms with Bill Ripken, infielder, on 1-year contract. Sold OF Dwayne Hosey and INF Luis Ortiz to Yakult Swallows of the Japanese Central League. Announced 1-year working agreement with Pulaski, VA-ARL.

NATIONAL LEAGUE

CINCINNATI—Agreed to terms with LHP Kent Mercker on 1-year contract and RHP Rodney Bolton, RHP Ricky Bones and RHP David Nied on minor-league contracts.

CHICAGO—Agreed to terms with RHP Mel Rojas on 3-year contract.

COLORADO—Agreed to terms with LHP Mike Munoz on 1-year contract.

FLORIDA—Agreed to terms with LHP Dennis Cook on 2-year contract. Acquired RHP Ed Collins from Milwaukee to complete the Nov. 26 trade for LHP Joel Adamson. Acquired RHP Robert Rodgers from Boston to complete the Nov. 26 trade for OF Jesus Tavarez. Designated RHP Miguel Batista for assignment.

HOUSTON ASTROS—Traded OF Brian Hunter, INF Orlando Miller, RHP Doug Brocail, RHP Todd Jones and a player to be named to Detroit Tigers for C Brad Ausmus, RHP Jose Lima, LHP C.J. Nitkowski, LHP Trever Miller and INF Daryle Ward.

LOS ANGELES—Agreed to terms with 3B Todd Zeile on 3-year contract. Acquired 2B Jeff Berblinger from the Detroit Tigers for SS Delvi Cruz and OF Juan Hernaiz. Assigned OF Rolando Avila to Albuquerque, PCL.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

NBA—Fined Seattle SuperSonics coach George Karl $7,500 for verbally abusing referees and refusing to leave the court in a timely fashion following his ejection from a game Dec. 5.

CHICAGO— Suspended Dennis Rodman two games without pay for using profane language in Dec. 8 TV interview. Suspension will cost Rodman $104,878 in salary.

LOS ANGELES—Put C Stanley Roberts on injured list. Activated G Eric Piatkowski from injured list.

NEW JERSEY—Signed F Evric Gray to 1-year contract.

ORLANDO—Activated G Dennis Scott from injured list. Waived G Dell Demps.

SACRAMENTO—Waived G Lloyd Daniels. Activated F Kevin Salvadori from injured list.

SAN ANTONIO—Fired Bob Hill, coach. Named Gregg Popovich coach in addition to his duties as general manager.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

ATLANTA—Signed OG Keith Lanekar.

GREEN BAY—Waived DE Oscar Sturgis. Signed S Chris Hayes from the practice squad.

PHILADELPHIA—Put DT Andy Harmon on injured reserve. Signed DB Barry Wilburn.

TAMPA BAY—Re-signed WR Robb Thomas to 3-year contract.

HOCKEY

NATIONAL HOCKEY LEAGUE

BUFFALO—Recalled LW Barrie Moore from Rochester, AHL. Sent C-LW Curtis Brown to Rochester.

DALLAS—Placed D Derian Hatcher on injured reserve list. Recalled D Dan Keczmer from Michigan, IHL.

NEW JERSEY—Recalled C Steve Sullivan from Albany, AHL. Sent C Petr Sykora to Albany.

ST. LOUIS—Recalled F Scott Pellerin and D Jamie Rivers from Worcester, AHL.

COLLEGE

ALABAMA—Named Mike Dubose football coach.

TARLETON STATE—Announced that Todd Whitten, football coach, has resigned to become offensive coordinator at Wyoming.

CRICKET

SOUTH AFRICA TOUR

3D AND FINAL TEST

INDIA VS. SOUTH AFRICA, 4TH DAY

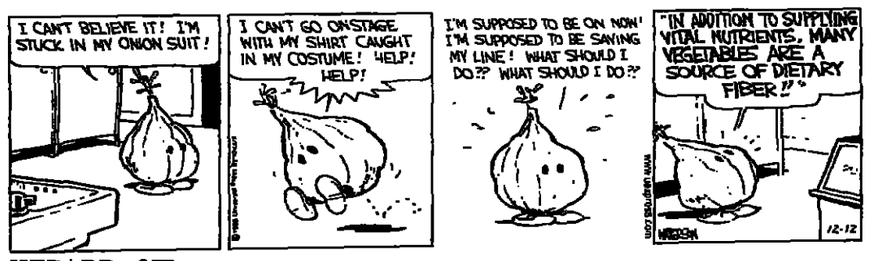
TUESDAY, IN KANPUR INDIA

India 237; and 400-7 declared
South Africa: 177 and 127-5

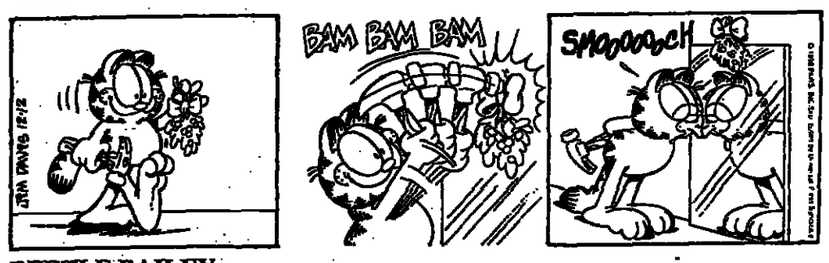
DENNIS THE MENACE

PEANUTS

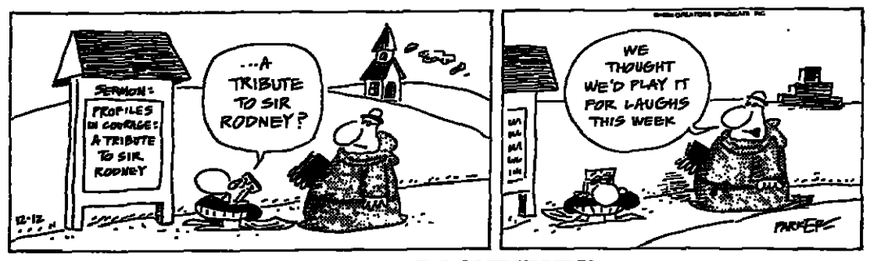
CALVIN AND HOBBES



GARFIELD



WIZARD of ID



BEETLE BAILEY

THE FAR SIDE

DOONESBURY

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SHLYP
TURBS
DAMALY
BLOWEB

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: IT A (Answers tomorrow)

Yesterday's Jumbles: NEWLY HEFTY BLEACH CURFEW
Answer: Add a diving car and a train becomes — A CHEW CHEW

BLONDIE

LESSONS IN FRANCE
EVENT DAY
Saturday, December 14
9am-5pm
Special lecturer
MARIO RINVOLUCRI
on "Fun, Laughter and Enjoyment in EFL"
followed by 3 workshops
The British Council (ground floor)
9-11 rue Constantine, 75007 Paris
Contact: 01 39 82 68 00

ART BUCHWALD

Good Cheer at the Fed

WASHINGTON — The second most important man in America is the chairman of the Federal Reserve, Alan Greenspan, who sets the interest rates for the country. When he sneezes, the whole world gets galloping pneumonia.

Last week during a speech, Greenspan referred to the "irrational exuberance" of the money markets, and Wall Street fell into the Hudson River. People who live in the nation's capital are well aware of Greenspan's power, and when he shows up at a party, everybody tries to stand as close to him as possible, listening to his every word.

Buchwald

The other night some Washingtonians were at Mark Woorman's house drinking eggnog and eating plover's eggs when Greenspan walked in.

"I'm sorry I'm late," he said to Mark. "I couldn't find a parking place."

Our ears perked up. The key words were "parking place." If the head of the Fed couldn't find a parking place in Georgetown, what was going to happen to the Japanese yen?

No immediate reaction was reported on the Hong Kong Stock Exchange. But then he turned to us and said, "I love Christmas because it makes people feel good."

Woorman whispered to me, "How good? Does it make him feel good enough to raise the prime rate by a percentage point, or is he going to put the screws on the banks by lowering it?"

I whispered back, "Don't ask him anything or he'll have to leave and we'll never know what the German mark will go for in Korea."

□

Greenspan sang one chorus of "Silent Night," but there was no hint in the lyrics of how upbeat the dollar would be against the British pound.

Then he sang: "Deck the halls with boughs of holly, fa, la, la, la, la, la, la, la, la."

"That's it," Woorman said. "No Fed chairman sings 'fa, la, la, la, la, la, la, la, la' unless he plans on raising interest rates."

I agreed.

We went into the library to call our brokers. Mark was on the phone first and his face turned ashen. He said, "Tokyo is down 800 points."

"How could they possibly know Greenspan's intentions when we were the only ones in the room?"

"Sony must have planted a bug in his fruitcake."

Van Gogh Fails To Sell in Paris

Reuters

PARIS — A Paris auction house failed to sell one of Vincent van Gogh's last paintings, when bidding reached only 32 million francs ($6.1 million), short of the minimum price set for its sale.

There have been questions in the media as to the authenticity of "Jardin a Auvers" (Garden at Auvers), said to have been painted in July 1890, just before the artist's suicide. But art historians are almost unanimous in declaring the work authentic.

Its market value was reduced after the Culture Ministry declared it a national treasure, effectively banning its sale outside France.

Richardson on Picasso: A Triumph, Part 2

By Michael Kimmelman
New York Times Service

NEW YORK — "I think the way to push Picasso scholarship ahead is to go back to the basics, to tell things the way they happened," says John Richardson, whose second volume of a projected four-volume biography of the artist has just been published by Random House to even more popular acclaim, if that's possible, than the first volume.

"For all its complexity and subtlety, Picasso's work needs an approach that's down-to-earth and frontal, like his art. Knowing Picasso's dislike of theorizing, I'm especially distrustful of it myself. He would be appalled at all the misinterpretations."

Richardson is not talking about the spate of movies and best-sellers that portray Picasso as a monster. He is referring to the continuing flood of academic and curatorial writing about Picasso that can be as inscrutable as it is censorious — when it is not mythologizing.

Part of the enthusiasm for Richardson's work is due to its empirical style: affectionate but clear-eyed and free of cant. In this age of the encyclopedic biography, "A Life of Picasso" is an exception for treating its subject — and, as a result, much of early modern art — as an adventure story rather than as a sermon or a lecture.

It is inevitably helped by the fact that Richardson got to know Picasso, along with other great artists in France who visited the Chateau de Castille in Provence, where Richardson lived during the 1950s with the collector Douglas Cooper.

"This is simply the best biography ever written of an artist, in the same class as Richard Ellmann on Joyce or Leon Edel on James," says the critic Robert Hughes.

Volume 1 ended in 1906 with the impoverished Picasso on the verge of what even he regarded as an alarmingly radical painting, "Les Demoiselles d'Avignon."

Volume 2 carries the life through 1917, when, having traversed Cubism, Picasso was about to embark on an ill-conceived marriage to a dancer named Olga Koklova.

Richardson's task now is to encompass the artist's final 56 years in the next books. At 72, he is well aware that the project so far has taken him and his collaborator, Marilyn McCully, more than a decade.

But this day, seated in the opulent chaos of the back room of his new, vast and still uncompleted loft on lower Fifth Avenue, cat on lap, he seems tireless. Square-jawed, bearded and gray, stocky and with a broad smile, Richardson is in person a gregarious teller of often unprintable gossip, astringent and wicked, charming and modest to the point of insecurity.

He is notable, among writers on art at least, for being without the slightest pomposity.

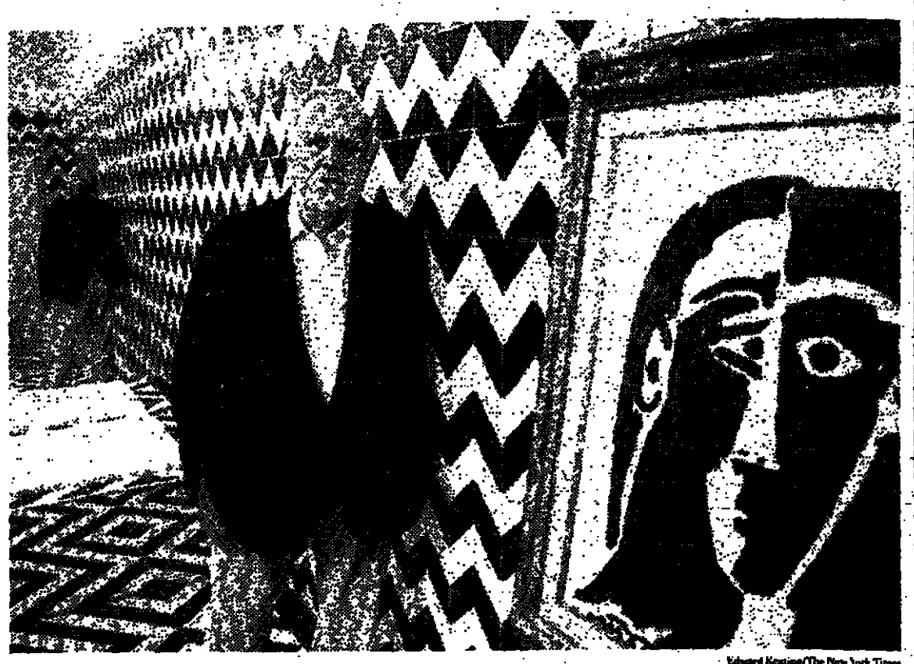
Actually, before he became known as Picasso's biographer, Richardson was known in certain circles for being "the man all New York wants to sit beside at dinner," as W magazine once called him.

Lucian Freud, one of his oldest friends, believes that "his Proust-like instincts about the foibles and intricacies of the people around him make him ideally equipped as a human portraitist, a biographer."

You can see Richardson's gift for apt detail in his depiction, for example, of a con man named Gery Pieret, who stole ancient Iberian limestone heads from the Louvre and sold them to Picasso. The Iberian heads, of course, influenced Picasso's work, so Pieret is not introduced without reason.

Likewise, when Richardson writes about colorful German and Austrian collectors like Alphonse Kann, Edwin Suermondt and the Princess Mechthilde Lichnowsky, it is for the larger purpose of demonstrating that contrary to what people assume, Picasso's reputation spread first in Germany, not in France.

And when, in the book's late chapters, Richardson unearths Picasso's romances with three young and attractive women on the fringes of Paris bohemia — first Eva Gouel, who died of cancer, and then Gaby Depeyre and Irene Lagut, who both rejected his proposals of marriage — it is to suggest that Picasso's search for domestic order in the late 1910s related to his art at that time.


Edward Keating/The New York Times
John Richardson at home with a Picasso: "He would be appalled at all the misinterpretations."

"From the point of view of a biographer, it reveals how desperate he was to marry," Richardson says. "Eva died, then Gaby and Irene turned him down, and so on the rebound he makes his disastrous marriage to Olga, which also helps to explain why Picasso's work during these years looks marvelous but varied and unsettled."

Picasso had Braque in the development of Cubism. Richardson, in the writing of his biography, has McCully, an art historian who taught at Princeton and now lives in London. They met when she organized a Picasso show at Princeton in 1978, and began collaborating on the biography four years later. She does much of the archival work in Europe, then brings her findings to Richardson, and finally reads everything he writes.

The project got started in 1982, when Jason Epstein, an editor at Random House, suggested that Richardson write a biography of Picasso. He had encouragement, as well, from Jacqueline Picasso, the artist's widow, who "gave me the keys to his studios at Mougins."

"Doing the biography just came about, really; it wasn't planned," Richardson says. "I suddenly realized that this was something I could do, that I was well placed and there weren't many others who were. It began as a two-volume project, then became four.

"One of the first things I did was to ask Communist officials in France about Picasso, and they described him as anti-fascist, anti-war, anti-poverty, but they couldn't say what he was for. He was actually a well-disposed liberal with no political agenda. With Picasso, whatever you say about him, the reverse is also true. Every painting is a paradox, and so was he: tender and cruel, progressive and atavistic, generous and stingy."

After a decade of research and more volumes to go, other biographers might feel consumed, if not fed up with him, but Richardson insists he is more engaged than when he began. "The more I look into him," he says, "the more complex he becomes, the greater."

Margaret Norton/Reuters
Anderson accepting a tissue from Leno while discussing her marriage.

PEOPLE

SHE tries to keep a sense of humor about the fact that almost everything she does is open to public scrutiny, but **Madonna** does get irritated about some things. "My having a child is not for public consumption," she told USA Today. "It's not a career move. It's not a performance to be judged and rated. Nor is my role as a mother." In the interview published Wednesday, the 38-year-old singer-actress-mother said it "was incredibly poetic" that she got pregnant while filming the movie "Evita," a musical that opens on Christmas. "I waited so long for this movie, and it finally happened," she said. "I wanted so badly to have a child, and I got pregnant while making the movie. Suddenly, God gave me two gifts that were very important to me." Except for "major sleep deprivation," she says the motherhood role she assumed Oct. 14 with the birth of **Lourdes Maria Ciccone Leon** is going well.

□

A world-renowned photograph portraying a young couple locked in a passionate embrace in Paris was posed, a French appeals court has ruled. The verdict upheld a 1993 ruling and ended years of controversy over the late **Robert Doisneau's** 1950 black-and-white shot, "Le Baiser de l'Hotel de Ville." A retired couple, **Denise** and **Jean-Louis Lavergne**, had claimed they were photographed without their knowledge in 1950 as they were strolling on the promenade in front of the Paris City Hall. They lost their case in 1993 after Doisneau acknowledged that he had paid two models to pose for the picture.

□

The marriage of **Tommy** and **Pamela Anderson Lee** is still on rocky ground, despite an attempt at reconciliation, and the star of TV's "Baywatch" says she doesn't know if things will work out. "I wish him the best, but I'm more concerned about our son living in a positive, wonderful, loving environment and that's the most important thing," an emotional Anderson said on "The Tonight Show with Jay Leno." She filed for divorce last month, citing irreconcilable differences, and has reportedly moved to a friend's ranch with the couple's 5-month-old son. The Lees married in February 1995 after a four-day courtship.

□

Hundreds of fans hoping to see the Queen of Soul ended up shivering in the cold. The New Bethel Baptist Church in Detroit expected a full house with **Aretha Franklin** headlining a Christmas show with other gospel stars. But a church official said 2,500 tickets were sold for 1,500 available seats. **Larry Robinson**, who works at a bookstore that sold the tickets, blamed a botched estimate of the church's capacity for the mess. "It's benches and pews, not separate seats," he said. "A heavy-set lady with fur is three seats." About 300 people sought refunds of their $17.50 tickets. Franklin is expected to release an album of the concert next year.

□

For four years, **Evelyn Lieberman's** voice has reverberated through the White House, most recently as deputy chief of staff. Now Lieberman's authoritative growl will reach a wider audience: **President Bill Clinton** has named her director of the Voice of America. Lieberman, a former assistant to **Hillary Rodham Clinton** and press secretary to **Senator Joseph Biden** of Delaware, will succeed **Geoffrey Cowan**, who will head the Annenberg School of Journalism at the University of Southern California in Los Angeles.

□

The National Board of Review of Motion Pictures in New York has named the Australian low-budget sleeper "Shine" best film of the year. **Tom Cruise** was named best actor for his work as a fallen sports agent fighting for a comeback in "Jerry Maguire," and **Frances McDormand** best actress for her role of the pregnant sheriff in the off-beat comedy "Fargo."

□

The British actor **Anthony Hopkins** and the filmmaking duo **James Ivory** and **Ismail Merchant** were made commanders of the French Order of Arts and Letters during a visit to Paris to promote their film "Surviving Picasso," which was released in France on Wednesday.

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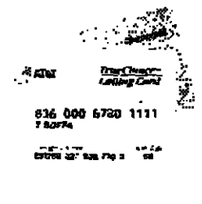

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